

Purchasing Week

MCGRAW-HILL'S NATIONAL NEWSPAPER OF PURCHASING

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Vol. 1 No. 26

New York, N. Y., June 30, 1958

\$6 A YEAR U. S. AND CANADA

\$25 A YEAR FOREIGN



TOPPING MANY COLLEGE PROFESSORS, Victor Frary, purchasing man at Abbott Labs., took a \$500 C.E.D. essay prize. Story on page 8.

P.A.'s Use Telephone but Don't Like Salesmen Calling Them for Orders

New York—The majority of purchasing executives agree that the telephone is an indispensable "tool of the trade" but want it used mainly for "one-way" conversations.

Most P.A.'s initiate between 50 and 90% of their purchases via the phone; but when salesmen call to push an item rather than visit the P.A. they are likely to get a "wrong number."

Ports to Fight Seaway Tolls

New York—Major ports along the Atlantic and Gulf coasts are consolidating vigorous "party line" opposition to the proposed St. Lawrence Seaway tolls which they regard as deadly competitive "bargain rates."

At about the same time, Midwestern and Canadian shippers and ship operators are protesting that the rates are a "killing amount" and that there are certain to keep a great volume of shipping traffic off the great inland waterway.

Many companies in other parts of the country, however, are making

(Continued on page 22)

PURCHASING WEEK correspondents, surveying P.A.'s on their business-by-phone, noted that telephone buying is rolling along at its usual pace, but telephone selling—or attempts at it—is on the increase, much to the consternation of many purchasing agents.

(Continued on page 21)

Transistors in Autos

Toledo, O.—The automobile market is the next goal of the transistor. Electric Auto-Lite Co. has developed a transistorized ignition system. It will be needed when we start building auto engines with a 12-to-1 compression. For this story and other developments in auto industry see page 18.

Steel Prices Leave P.A.'s Wondering; Copper Tags Swinging at 3 Levels

Not Even Red Metal Producers Can Agree On Basic Copper Trend

New York—The jumbled copper situation was further emphasized last week when the metal was being quoted on three different price levels—all at the same time.

Smelters started the week at 26½¢ a lb. but dropped to 25½¢ when demand dried up. It could even change again by the time this issue of Purchasing Week reaches you.

Meanwhile, one of the big three producers was asking 26½¢ a lb. while its fabricating subsidiaries were back to a 25¢ basis. The two other big producers, however, were maintaining the 25¢ level.

The fact that all producers didn't move in unison is significant. You just can't dismiss it with a "that's copper for you" statement.

(Continued on page 22)

Freight Tax Appears Goner

Washington—Repeal of the 3% freight transportation tax highlighted efforts of Senate and House tax writers last Thursday in efforts to get tax legislation through Congress and to the White House by the June 30 deadline.

Conferees from the Senate Finance Committee and the House Ways and Means Committee came up with a compromise on corporation and excise extension legislation which also agreed to:

(Continued on page 22)

Indications Point to Eventual Jump but How Much And When Leave Everybody Guessing; Small Firms Wait for Big Ones to Lead; All Are Hesitant

New York—The question of how much and when still plagued steel buyers last week as major producers vacillated on the price-increase issue.

It appeared virtually certain a general price increase would not be announced effective July 1 when steel labor costs go up an estimated 20¢ an hour. But industry observers indicated the postponement was at best only temporary with some kind of general price announcement due later in July and certainly by the end of the third quarter.

Popular estimates in the big guessing game were that when a price increase does come, it will be in the neighborhood of \$4 a ton, perhaps even slightly lower with producers hoping to add another price increment later in the year.

Wholesale Price Index Originated

New York—An Industrial Wholesale Price Index that you can use on your job is on page 4.

It has been designed by PURCHASING WEEK price experts to give industrial P.A.'s price movements of the type of goods they buy each day.

The total index is made up of the 50 items listed on page 4, weighted according to the average buying habits of P.A.'s throughout the country. All prices are received direct from official U. S. Government sources.

(Continued on page 4)

Development of one of the most confusing and controversial price situations ever to hit the steel industry had virtually every major producer admitting it was

(Continued on page 22)

Ryerson Says Russia May Send Steel to U. S.

Chicago—Will Russian-made steel ever find its way into American markets? One of the country's top steelmen, just returned from a visit to Russian steel plants, thinks there is a good chance it will during the next decade.

Edward L. Ryerson, retired board chairman of Inland Steel,

(Continued on page 23)

This Week's

Purchasing Perspective

JUNE 30
JULY 6

The purchasing agent should be second to none in his company in keeping pace with current economic trends. In fact, the P.A. has an excellent opportunity to keep one step ahead of the so-called "experts" on the strength of his practical savvy, obtained from daily contact with products, sellers, and markets.

If you're interested, a "do-it-yourself" kit on economic forecasting is readily available. The tools are a whole series of key business barometers which can be readily used to predict current and future demand and price movements.

PURCHASING WEEK, of course, has its own favorite indicators which have been found to be dependable trend-pointers. Those of significance we pass on in our news columns.

But there are advantages too in keeping your own set. For one thing, the practice probably promotes better understanding of each set of figures and their relationships. And plotting or listing the indicator movements on a chart makes an impressive eye-catcher, a good reminder of what's what.

Some of the more important keys to current economic conditions as they affect purchasing are these:

• **Inventories**—for a bird's eye picture of buying trends, the how, where, and when of buying.

(Continued on page 23)

P.A.'s and Salesmen 'Dream' About Perfection

Lima, Ohio—The Lima area P.A.'s had a "dream" meeting last week.

Each member of the association invited a salesman to indulge in good food, followed by a little fact and fantasy: A P.A.'s idea of the perfect salesman.

But the sales-guests retaliated immediately as one of them portrayed the salesman's vision of the perfect P.A.

Here are the pictures drawn to define the longed-for relationship between the ideal purchasing agent and salesman.

The Salesman Said:

The purchasing agent and the salesman should be a team, each contributing to the service of the other.

That's how C. E. Knab of



"The perfect meet!"

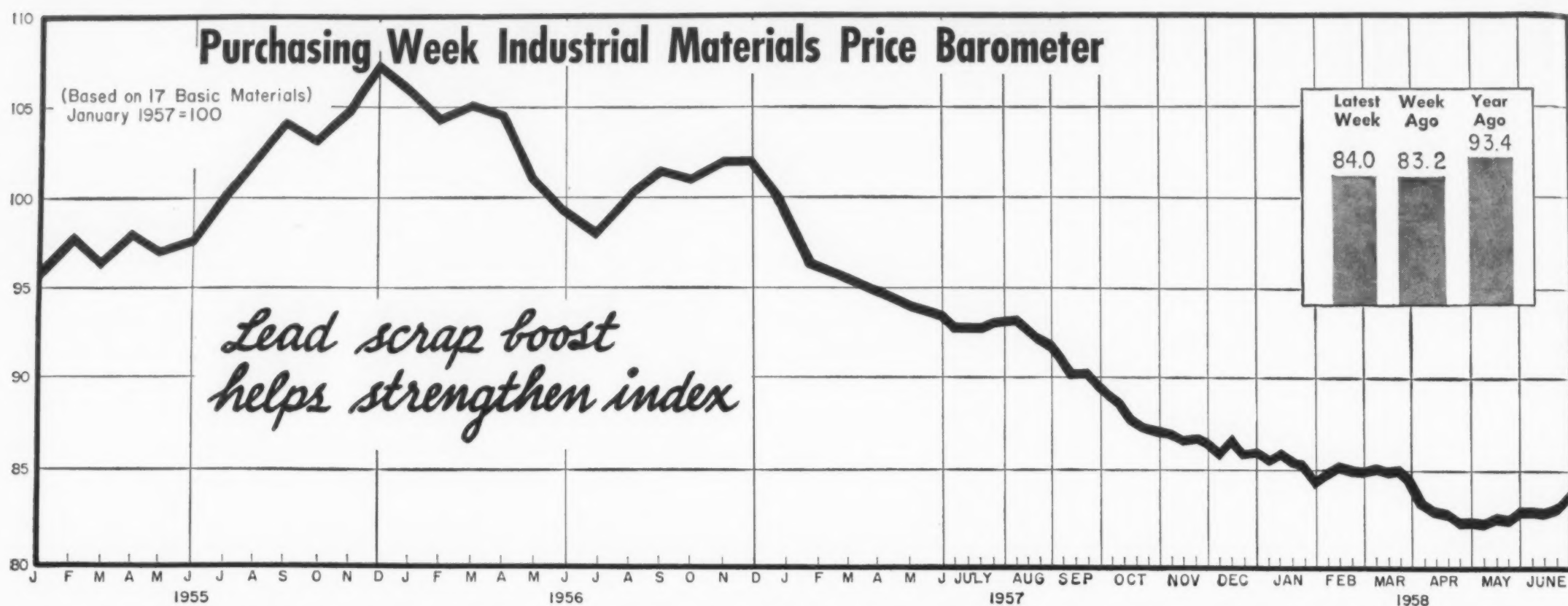
Graybar Electric Corp. visualizes his dealings with a purchasing executive.

"The purchasing agent shouldn't be reluctant to intro-

duce the salesman to his production department or engineering staff," Knab declared. "A thorough knowledge of my customer's operations, policies, methods of production won't lead to bypassing the purchasing department, it will lead to better service for my customer. I should be able to ask questions about his company and get straight, free answers from him."

Honesty from the purchasing agent is as important as the honesty the purchasing agent expects from salesmen. "How can you respect the purchasing agent who asks you to break your neck to get him overnight delivery and find out next week that the shipment hasn't even been

(Continued on page 21)



This index was designed by the McGraw-Hill Department of Economics to serve as an overall sensitive barometer of movements in industrial raw

material prices. The index is not intended to give price movements of specific commodities. The items used are important only in that, together, they re-

fect the current general market trend in sensitive industrials. Weekly prices for most of the items covered are published in "Commodity Prices" below.

This Week's

Price Perspective

JUNE 30-JULY 6

The guy with the lower price usually gets the sale.

This simple truism is being amply demonstrated by current heavy influx of imports. Relatively low overseas prices are more than offsetting the effect of the U. S. economic slowdown. Result: Imports continue to boom.

Low labor costs, government subsidies and other factors often make foreign goods cheaper, even where there are substantial transportation and tariff charges to contend with.

Overseas suppliers have shown they are willing and able to tap the rich U. S. market. For the first time they have more than ample capacity and their sales organizations are being expanded accordingly.

In many instances, though certainly not all, quality is on a par with domestic varieties.

For many purchasing executives it means careful shopping can turn up increased opportunities for some good bargains.

Lower prices result whether you buy the foreign goods, or the American counterpart which usually is reduced to meet the competition.

That's exactly what happened recently when some small fabricators of steel wire and reinforcing bars found themselves faced with cheap imports. They had no alternative but to lower tags.

And steel isn't the only item. Copper, oil, asbestos, benzol, sulfur, industrial machinery, textiles, to mention a few, all have been recently feeling the sting of overseas competition.

Result: In some areas, imports account for a considerable portion of total purchases. One copper spokesman reports, for example, that imports of copper tubing now take almost 20% of the East Coast market.

International trade is being further complicated by the entry of Russia into the picture. And this potent new factor is already making itself felt pricewise in several areas.

Russian aluminum and tin shipments, for example, are partially behind recent weaknesses in these metals, even though no direct shipments were made to American shores.

True, in physical quantities, the percentage of Russian penetration is as yet small. But it's growing by leaps and bounds.

Official trade statistics show that from 1953 to 1957 Red trade with the free world jumped from \$382 million to \$1,042 million, a 250% boost.

You can look for still further penetration as Russian productive power in basic raw material lines increases.

Reds gain two ways: They can dump unwieldy domestic gluts—and at the same time can play havoc with western markets.

It's no wonder why free world commodity experts are jumpy.

One solution: Get Russia into commodity agreements, to play the game by the usually acceptable international rules.

That's what's behind last week's invitation to Russia for a pow-wow with free world tin interests.

But it's doubtful whether the Kremlin will play ball and help contribute to the stabilization of world tin prices.

Tin, remember, is a commodity of prime importance to the sterling area. It would indeed be surprising to see the Soviet Union anxious to give that important area of the free world a helpful shot in the arm.

This Week's Commodity Prices

METALS

	June 25	June 18	Year Ago	% Yrly Chg.
Pig iron, Bessemer, Pitts., gross ton	67.00	67.00	65.50	+ 2.3
Pig iron, basic, valley, gross ton	66.00	66.00	64.50	+ 2.3
Steel, billets, Pitts., net ton	77.50	77.50	74.00	+ 4.7
Steel, structural shapes, Pitts., cwt	5.275	5.275	5.00	+ 5.5
Steel, structural shapes, Los Angeles, cwt	5.975	5.975	5.70	+ 4.8
Steel, bars, del., Phila., cwt	5.725	5.725	5.365	+ 6.7
Steel, bars, Pitts., cwt	5.425	5.425	5.075	+ 6.9
Steel, plates, Chicago, cwt	5.10	5.10	4.85	+ 5.2
Steel scrap, #1 heavy, del. Pitts., gross ton	35.50	35.50	56.50	-37.2
Steel scrap, #1 heavy, del. Cleve., gross ton	33.00	33.00	51.50	-35.9
Steel scrap, #1 heavy, del. Chicago, gross ton	35.50	37.00	54.00	-34.3
Aluminum, pig, lb	.24	.24	.25	- 4.0
Secondary aluminum, #380 lb	.212	.212	N.A.	N.A.
Copper, electrolytic, wire bars, refinery, lb	.247	.248	.289	-14.5
Copper scrap, #2, smelters price, lb	.205	.213	.233	-12.0
Lead, common, N.Y., lb	.115	.111	.14	-17.9
Nickel, electrolytic, producers, lb	.74	.74	.74	0
Nickel, electrolytic, dealers, lb	.74	.74	1.05	-29.5
Tin, Straits, N.Y., lb	.948	.948	.974	- 2.7
Zinc, Prime West, East St. Louis, lb	.10	.10	.105	- 4.8

FUELS

Fuel oil #6 or Bunker C, Gulf, bbl	2.25	2.25	2.75	-18.2
Fuel oil #6 or Bunker C, N.Y. barge, bbl	2.57	2.57	3.10	-17.1
Heavy fuel, PS 400, Los Angeles, rack, bbl	2.50	2.50	2.85	-12.3
LP-Gas, Propane, Okla. tank cars, gal	.04	.04	.35	+14.3
Gasoline, 91 oct. reg. Chicago, tank car, gal	.125	.12	.13	- 3.9
Gasoline, 84 oct. reg. Los Angeles, rack, gal	.105	.105	.136	-22.8
Coal, bituminous, slack, ton	5.75	5.75	6.05	- 5.0
Coke, Connellsville, furnace, ton	15.25	15.25	15.25	0

CHEMICALS

Ammonia, anhydrous, refrigeration, tanks, ton	90.50	90.50	82.50	+ 9.7
Benzene, petroleum, tanks, Houston, gal	.36	.36	.36	0
Caustic soda, 76% solid, drums, carlots, cwt	4.80	4.80	4.30	+11.6
Coconut oil, inedible, crude, tanks, N.Y. lb	.148	.149	.121	+22.3
Glycerin, synthetic, tanks, lb	.278	.278	.28	- .7
Linseed oil, raw, in drums, carlots, lb	.173	.173	.163	+ 6.1
Phthalic anhydride, tanks, lb	.205	.205	.205	0
Polyethylene resin, high pressure molding, carlots, lb	.325	.325	.35	- 7.2
Rosin, W.G. grade, carlots, f.o.b. N.Y. cwt	9.70	9.70	9.05	+ 7.2
Shellac, T.N., N.Y. lb	.31	.31	.34	- 8.8
Soda ash, 58%, light, carlots, cwt	1.55	1.55	1.55	0
Sulfur, crude, bulk, long ton	23.50	23.50	26.50	-11.3
Sulfuric acid, 66° commercial, tanks, ton	22.35	22.35	22.35	0
Tallow, indelible, fancy, tank cars, N.Y. lb	.083	.083	.084	- 1.2
Titanium dioxide, anatase, reg. carlots, lb	.255	.255	.255	0

PAPER

Book paper, A grade, Eng finish, Untrimmed, carlots, CWT	17.00	17.00	16.70	+ 1.8
Bond paper, #1 sulfite, water marked, 20 lb carton lots, CWT	24.20	24.20	24.20	0
Chipboard, del. N.Y., carlots, ton	100.00	100.00	100.00	0
Kraft liner, 42 lb del. N.Y., ton	127.50	127.50	127.50	0
Wrapping paper, std, Kraft, basis wt. 50 lb rolls	9.00	9.00	9.25	- 2.7
Gummed sealing tape, #2, 60 lb basis, 600 ft bundle	6.40	6.40	6.60	- 3.0

BUILDING MATERIALS

Brick, del. N. Y., 1000	41.25	41.25	41.25	0
Cement, Portland, bulk, del. N.Y., bbl	4.26	4.26	4.38	- 2.7
Glass, window, single B, 40" bracket, box	7.00	7.00	7.09	- 1.3
Southern pine lumber, 2x4, s4s, trucklots, fob N.Y.	116.00	116.00	117.00	- .9
Douglas fir lumber, 2x4, s4s, trucklots, fob N.Y.	120.00	120.00	118.00	+ 1.7

TEXTILES

Burlap, 10 oz, 40", 100 yd	10.20	10.05	11.05	- 7.7
Cotton, 1 Middling, N. Y., lb.	.354	.363	.355	- .3
Printcloth, 39", 80x80, N.Y., spot, yd	.174	.174	.179	- 2.8
Rayon, satin, acetate, N.Y., yd	.27	.27	.298	- 9.4
Wool tops, N.Y. lb	1.47	1.47	.193	-23.8

HIDES AND RUBBER

Hides, cow, light native, packers, lb	.138	.138	.16	-13.8
Rubber, #1 std ribbed smoked sheets, lb	.27	.265	.328	-17.7

Electronic Sales to Rise in 1958; Military Applications to Lead Way

Automated Machinery to Cut Costs, Save Time Boosts Market; T.V. and Radio Sales Lagging

New York—Electronic industry sales will continue to buck the general economic trend. This growth industry will be one of the few areas in the economy to show a rise in 1958 though it will be a much smaller one than those recorded in the past few years.

Military applications will lead the way with an able assist from the growing number of industrial and commercial uses. These will be more than enough to offset sluggish T. V. and radio sales.

New Industrial Applications

The new industrial applications are proving of particular importance to many purchasing executives. In several instances purchases of automated machinery have helped lick the cost-price squeeze.

This is true even where the unit cost of the equipment seems stiff. That's because the labor and time saved often add up to substantial cost savings in the long run.

Generally, prices on electronic equipment will hold firm. However, there may be some minor price shading in the competitive computer fields.

Also, production efficiencies may reduce tags on some production components—particularly in the booming transistor field. (Transistors so far this year are running an amazing 76% above a year ago.)

But sales gains won't only be limited to transistors. Overall electronic factory sales this year are expected to hit \$8 billion—about 5% above last year's \$7.6 billion.

Military to Take Lion's Share

The military will continue to take the lion's share of this total business. The chart at right indicates that Uncle Sam now takes over 50% (or close to \$4 billion worth) of all electronic production.

And based on current budget figures this percentage will grow. Pentagon figures show that 24% of military purchases now go for electronic equipment—and that percentage is expected to go higher in 1959.

It isn't too hard to see why. About 35¢ of every missile dollar now goes to electronics. As push button warfare develops, this figure will go even higher.

Industrial applications are also responsible for a considerable portion of overall electronics growth. From 1954 to 1957, factory sales of industrial electronic products doubled—from \$650 million to \$1,300 million.

There may be a slight pause this year—depending upon how quickly the economy picks up in the second half. But with the growing trend toward automation, resumption of the long-term growth pattern is almost certain for 1959.

Even such long-established industries as railroads are casting interested eyes on automated equipment. Two railroads have already announced they are sinking millions into electronically

controlled freight yards. Aim is to cut costs and speed service.

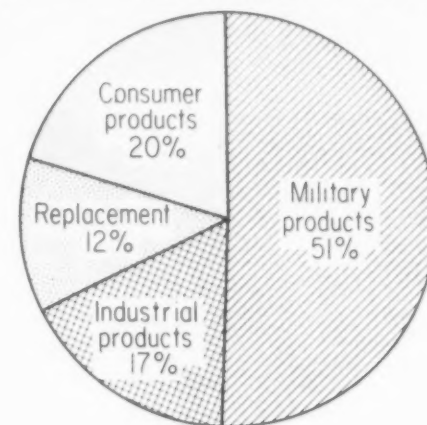
The computer field is another growth area. Sales of computers now amount to \$350 million per year. The growing amount of paper work plus the rising expense of clerical help is behind the gain. Mechanization of record

handling routines have become a must in today's complex business setup.

Automation of bank operations is a good example of what's happening in computer fields. Bank equipment ranges from automatic electronic posting machines (that add or subtract checks to depositors' accounts) to "million-dollar-plus" digital computers.

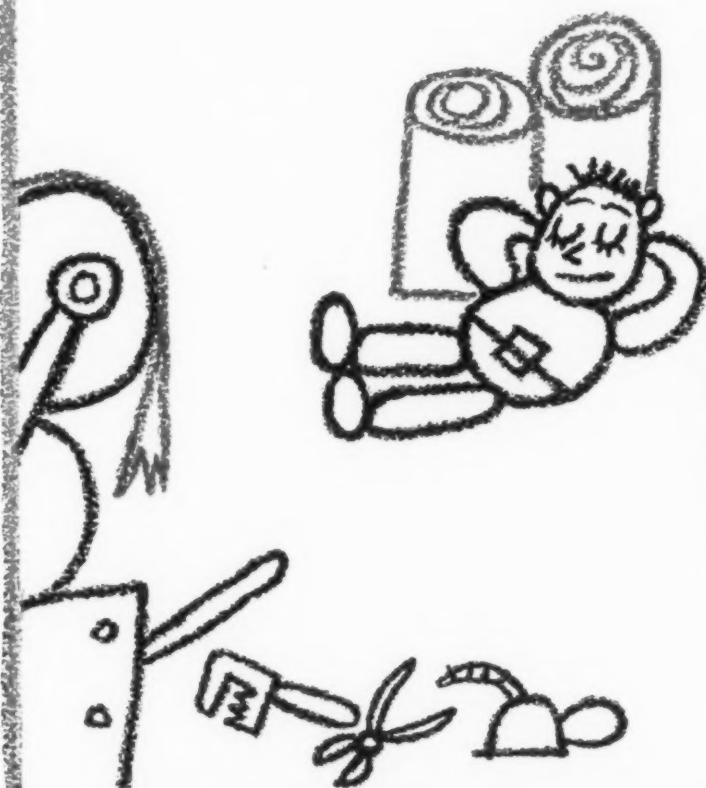
But not all is rosy. The weak sister in the electronic field is still the television and radio segment. T. V. sales in the first four months of this year were down 12% from 1957. Radio sales were down 18% in the first three months.

WHERE THE ELECTRONICS DOLLAR GOES*



*Based on 1957 distribution

Man Waiting



3 unproductive hours for man and machine

In the past, production losses due to breakdown of dryer roll bearings were so small they could be made up.

Man Working



Output - 25 tons per hour worth \$130 per ton

Today shut down of high-speed machines puts production behind by hundreds of tons per hour—quickly piles up losses.

Lubricating plan cuts downtime — can save \$10,000 in 3 hours

Not so long ago, machines shut down by bearing failure could make up production losses. Today volume output and integrated production mean that production losses are losses in profit. These are the reasons behind management's growing concern with lubrication methods in their plants.

Take this example from the paper industry: they used to figure \$500 for a bearing, \$500 for labor (idle time and repair crew) and expected to make up losses on the two or three hours downtime. Today, high speed machines produce twenty-five tons of paper per hour worth \$130 per ton. You can't ignore \$3,000 an hour in production

losses. In this case, the cost of the bearing replacement could run as high as \$10,000.

Lubrication problems differ with specific industries, but the basic principles are the same. Many companies are finding that the services of a plant lubrication engineer pay off. His services can extend part life, eliminate production losses, reduce rejects, simplify lubricant inventories and otherwise add to income. Some companies delegate lubrication responsibility to engineers or plant personnel who also perform other duties.

In both cases, Texaco's organization of Lubrication Engineers is function-

ing in all 48 States, as consultants in outlining a practical approach to these problems. A more detailed discussion is available in an enlightening booklet: "Management Practices That Control Costs Via Organized Lubrication." Write The Texas Company, 135 E. 42nd St., New York 17, N. Y., Dept. W-12.



LUBRICATION IS A MAJOR FACTOR IN COST CONTROL
(PARTS, INVENTORY, PRODUCTION, DOWNTIME, MAINTENANCE)

Year Ago	% Yrly Chg.
193.4	+ 2.3
	+ 2.3
	+ 4.7
	+ 5.5
	+ 4.8
	+ 6.7
	+ 6.9
	+ 5.2
	-37.2
	-35.9
	-34.3
	- 4.0
	N.A.
	-14.5
	-12.0
	-17.9
	0
	-29.5
	- 2.7
	- 4.8
	-18.2
	-17.1
	-12.3
	+14.3
	- 3.9
	-22.8
	- 5.0
	0
	+ 9.7
	0
	+11.6
	+22.3
	- 7
	+ 6.1
	0
	- 7.2
	+ 7.2
	- 8.8
	0
	-11.3
	0
	- 1.2
	0
	+ 1.8
	0
	0
	0
	- 2.7
	- 3.0
	0
	- 2.7
	- 1.3
	- 9
	+ 1.7
	- 7.7
	- 3
	- 2.8
	- 9.4
	-23.8
	-13.8
	-17.7

Washington Perspective

JUNE 30
JULY 6

The view that the economy is improving is bolstered further by a Commerce Department report last week. The Department says publicly what government economists had been saying privately for weeks—that the economic decline has ended.

In its survey of current business, Commerce says that recently, both sales and production have steadied and that the "down-trend which began in early 1957 has been arrested." This was the strongest public statement to date on the improvement in the economy to be issued by a government agency.

But fear of another round of inflation is beginning to haunt Washington policymakers again.

This concern is fed by a number of factors, two of which stand out: One is the huge deficit expected in next year's budget; the other is the new upturn in business now shaping up.

Though officials welcome a business revival, of course, they are not overlooking its possible inflationary effects. They are worried that the inevitable result of an economic upswing this year—coupled with deficit federal financing—may touch off a fresh chain reaction of wage-price increases.

Concern over inflation has never been out of the minds of officials even during the worst of the recession. The persistence of the inflationary push despite declining business activity was the major reason the Administration called a halt to further anti-recession programs.

Paradoxically, concern over the threat of a new upward spiraling of the wage-price level comes at a time when it appears the nation has been successful in arresting inflation. That the old inflationary push is petering out is shown by the government's consumer price index for May which was released last week.

The index, which started its long climb 21 months ago, began leveling out in May. It increased only one-tenth of a per cent last month, a much smaller rise than any this year.

Government economists are confident the index will be coming down soon when farm products begin hitting the market in quantity, thus driving down the price. But whether it stays down for long will depend on whether the new inflationary forces building strength break loose again.

The importance attached to this latter possibility is shown by the fact that it was the subject of a recent White House meeting. Congressional leaders warned President Eisenhower that inflationary dangers are inherent in the economy, and one suggested that wage boosts scheduled to go into effect soon be put off for six months. Congressman, Chairman Clarence Cannon (D-Mo.) of the House Appropriations Committee, told Eisenhower unless this is done there could be "a cycle of inflation that will put us deeper into difficulties."

The Federal Reserve, which acts as guardian of the nation's fiscal soundness, also is watching the situation closely. The Fed was the last to admit that there was a recession on last year—now it can be counted on to be first to take steps to combat any new inflationary trend.

The Federal Reserve is reviewing its present monetary policy. The Reserve actively had been following an anti-recession policy of making more money available for credit purposes for the last six months.

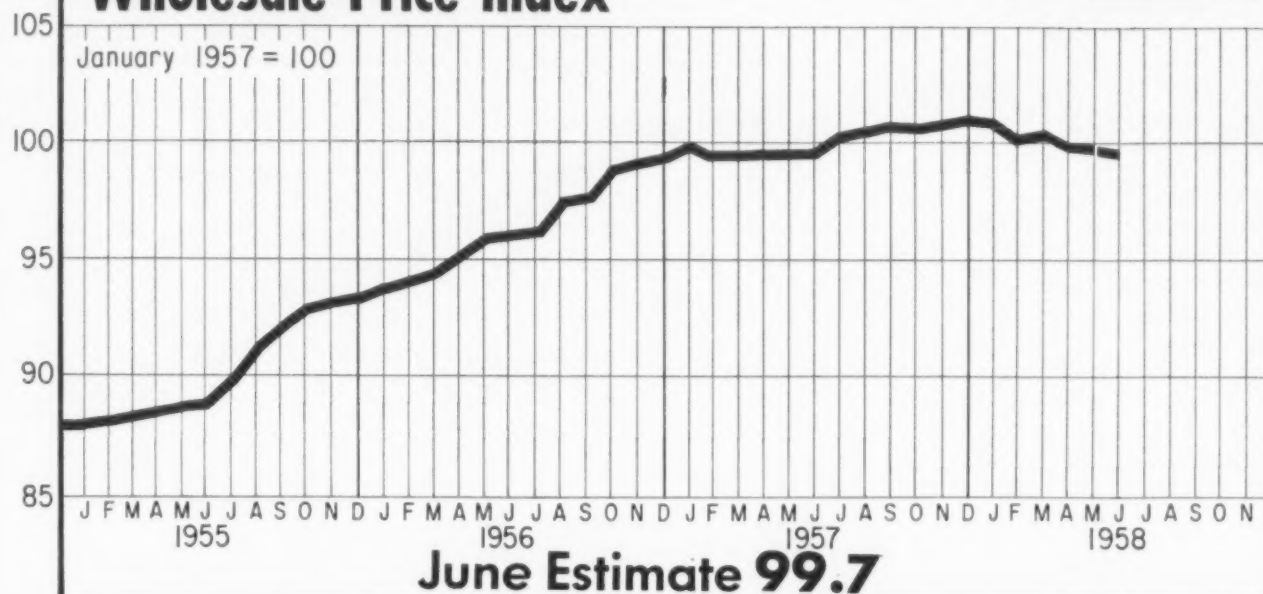
Though it still is following an easy money policy, the Fed now seems to be pushing the policy less vigorously than it had been doing. This would indicate that the Reserve Board now feels more confident about the business outlook and is beginning to look at the possible inflationary effects of more easy money.

Weekly Production Records

	Latest Week	Week Ago	Year Ago
Steel ingot, thous tons	1,685	1,751*	2,150
Autos, units	82,424	78,163*	118,805
Trucks, units	17,026	17,403*	22,279
Crude runs, thous bbl, daily aver	7,522	7,659	7,859
Distillate fuel oil, thous bbl	11,317	11,613	11,751
Residual fuel oil, thous bbl	6,575	6,459	7,716
Gasoline, thous bbl	26,843	26,960	27,313
Petroleum refineries operating rate, %	82.1	83.5	88.1
Container board, thous tons	131,951	156,686	144,774
Boxboard, thous tons	138,166	134,018	130,574
Paper operating rate, %	86.8	82.2*	94.8
Lumber, thous of board ft	246,385	228,264	260,748
Bituminous coal, daily aver thous tons	1,395	1,296*	1,687
Electric power, million kilowatt hours	11,941	12,109*	12,337
Eng const awards, mil \$ Eng News-Rec	483.1	429.9	330.1

* Revised

Purchasing Week's Wholesale Price Index



Save for use during July. This will be a monthly feature in Purchasing Week

Wholesale Price Index Originated

(Continued from page 1)

Index numbers for all 50 specially selected industrial items, plus the Wholesale Price Index chart will be published monthly. P.W. editors, by analyzing the current industrial price trend, will project the total index a month in advance for the immediate use of purchasing executives.

Note that this new index has a different purpose than the P.W. Weekly Price Barometer (see p. 2). It is specifically designed to reflect the variation in prices of industrial goods purchased by the typical P.A. There are a number of ways in which you can use it in your everyday purchasing activities.

• Specific cost comparisons—Combine prices of various items that are included in your purchase mix, then compare them with similar grouping of tags shown in the index. It gives you a good idea of how your buying costs rate with other P.A.'s in the same line.

• General cost studies—Compare the trend of prices of the products you buy with average industrial wholesale tags. It gives you an idea of how costs in your industry shape up with those of other U.S. businesses.

• Trend analysis—By studying individual product classifications and the overall index, you can determine specific and general price trends. And such information is vital in today's business situation when costs are being so carefully weighed.

Combined with P.W.'s Weekly Price Barometer, you now have a comprehensive set of tools for analyzing both the current and future price picture. The new index gives you the current price situation for the industrial goods you are purchasing on today's market. The price barometer gives you that quick feel for the market that helps you interpret future trends and near-term price movements.

Both of these indexes are needed by purchasing executives who want to keep up with the fast moving, volatile price picture. Only through the understanding of the current and future price situation will you be able to provide management with the best possible purchasing service available.

This Month's Industrial Wholesale Price Indexes

Item	May 1958	April 1958	May %	Yrly Change
Cotton Broadwoven Goods.....	94.5	94.8	98.0	- 3.6
Manmade Fiber Textiles.....	97.8	98.0	99.6	- 1.8
Leather.....	103.3	103.3	100.7	+ 2.6
Gasoline.....	91.9	93.0	104.0	-11.6
Residual Fuel Oils.....	77.4	77.9	103.2	-25.0
Lubricating Oils.....	98.0	101.2	106.7	- 8.2
Inorganic Chemicals.....	102.0	102.0	100.0	+ 2.0
Organic Chemicals.....	99.7	100.2	100.3	- .6
Prepared Paint.....	103.5	103.5	100.5	+ 3.0
Tires & Tubes.....	102.2	102.2	100.1	+ 2.1
Rubber Belts & Belting.....	99.3	99.3	99.9	- .6
Lumber Millwork.....	99.1	99.1	99.7	- .6
Paperboard.....	99.9	99.9	100.1	- .1
Paper Boxes & Shipping Containers	101.9	100.8	100.0	+ 1.9
Paper Office Supplies.....	101.2	101.2	101.2	0
Finished Steel Products.....	106.1	106.1	101.9	+ 4.1
Foundry & Forge Shop Products..	104.6	105.0	100.4	+ 4.2
Non Ferrous Mill Shapes.....	90.5	91.2	95.5	- 5.2
Wire & Cable.....	81.0	81.0	96.8	-16.3
Metal Containers.....	105.6	105.6	103.4	+ 2.1
Hand Tools.....	106.9	106.9	100.9	+ 5.9
Boilers, Tanks & Sheet Metal Products.....	98.8	98.8	98.7	+ .1
Bolts, Nuts, etc.....	109.5	109.5	103.9	+ 5.4
Power Driven Hand Tools.....	103.2	103.2	99.9	+ 3.3
Small Cutting Tools.....	107.2	107.5	100.5	+ 6.7
Precision Measuring Tools.....	106.1	106.1	104.3	+ 1.7
Pumps & Compressors.....	105.0	105.0	100.2	+ 4.8
Industrial Furnaces & Ovens.....	111.3	111.3	103.0	+ 8.1
Industrial Material Handling Equipment.....	103.1	103.8	100.1	+ 3.0
Industrial Scales.....	104.8	104.8	102.7	+ 2.0
Fans & Blowers.....	103.2	103.2	100.8	+ 2.4
Office & Store Machines & Equipment.....	103.3	103.3	101.0	+ 2.3
Internal Combustion Engines.....	103.5	103.5	100.7	+ 2.8
Integrating & Measuring Instruments.....	112.1	112.1	104.3	+ 7.5
Motors & Generators.....	103.6	103.6	100.8	+ 2.8
Transformers & Power Regulators. Switch Gear & Switchboard Equipment.....	100.7	100.7	100.7	0
Are Welding Equipment.....	105.1	105.1	100.9	+ 4.2
Incandescent Lamps.....	104.9	102.8	100.0	+ 4.9
Motor Trucks.....	110.0	110.6	110.6	- .6
Commercial Furniture.....	105.9	105.9	101.4	+ 4.4
Glass Containers.....	105.0	105.0	100.3	+ 4.7
Flat Glass.....	106.3	106.3	100.0	+ 6.3
Concrete Products.....	100.0	100.0	100.0	0
Structural Clay Products.....	102.2	101.9	100.9	+ 1.3
Gypsum Products.....	103.3	103.3	102.9	+ .4
Abrasive Grinding Wheels.....	104.7	104.7	100.0	+ 4.7
Industrial Valves.....	100.3	100.3	94.1	+ 6.6
Industrial Fittings.....	101.1	100.9	101.4	- .3
Anti-Friction Bearings & Components.....	100.6	98.2	96.8	+ 3.9
	99.2	98.2	100.0	- .8

Index	% Yrly Change
99.9	- 3.6
100.0	- 1.8
99.8	+ 2.6
	-11.6
	-25.0
	- 8.2
	+ 2.0
	- .6
	+ 3.0
	+ 2.1
	- .6
	- .6
	- .1
	+ 1.9
	0
	+ 4.1
	+ 4.2
	- 5.2
	-16.3
	+ 2.1
	+ 5.9
	+ .1
	+ 5.4
	+ 3.3
	+ 6.7
	+ 1.7
	+ 4.8
	+ 8.
	+ 3.0
	+ 2.0
	+ 2.4
	+ 2.3
	+ 2.8
	+ 7.5
	+ 2.8
	0
	+ 4.2
	+ 4.9
	- .6
	+ 4.4
	+ 4.7
	+ 6.3
	0
	+ 1.3
	+ .4
	+ 4.7
	+ 6.6
	- .3
	+ 3.9
	- .8

The Florida Association will host the three-day meeting to be held in Jacksonville's George Washington Hotel. General Chairman S. L. Jackson reports



S. L. JACKSON
General Chairman

Youngstown P.A.'s Elect Schabitzer President

Other officers elected include: T. G. Lewis, Youngstown Sheet & Tube Co., vice president; Fred Limestahl, Deming Pump Co., secretary; and Haydn Williams, Mahoning Valley Supply Co., treasurer. National director is C. T. Blumenschein, General Fireproofing Co.

South Conn. P.A.'s Elect Gibbons to Presidency

Other officers named on the 1958-59 roster include first vice president, Robert E. Bernhard, Edwards Co., Norwalk; second vice president, Robert E. Michaels, Burndy Corp., Norwalk; treasurer, Donald S. Sinclair, Sperry Semi-Conductor Division, Sperry Rand Corp., Norwalk; and secretary, Josephine D. Ruddock, Sorensen & Co., Norwalk.

GEORGE S. BOVIS, Elmhurst Community H.S. senior receives Illinois Institute of Technology purchasing scholarship from Richard B. Berry, chairman of the education and scholarship committee of the Purchasing Agents Association of Chicago. Left to right are Hugh A. Barnes, P.A.A.C. member; C. William Brown, I.I.T. dean of students; Dr. Pearce Davis, chairman, I.I.T. department of business and economics; Bovis; Robert Schmidt, P.A.A.C. member; Berry; and Frank J. Ruck Jr., P.A.A.C. member.

Graham said that the reactors operating today or being built work on the principle of atomic fission, but experimental research now is being carried on to harness the fusion process of thermonuclear reactions. However, he said, "economic fusion power is in the distant future."

Leonard Butters, director of purchases for Albion Steel Products and past Fourth District vice president, spoke at the session. He discussed some of the history of the N.A.P.A. and explained organization and functions of various officers and committees in the national association.

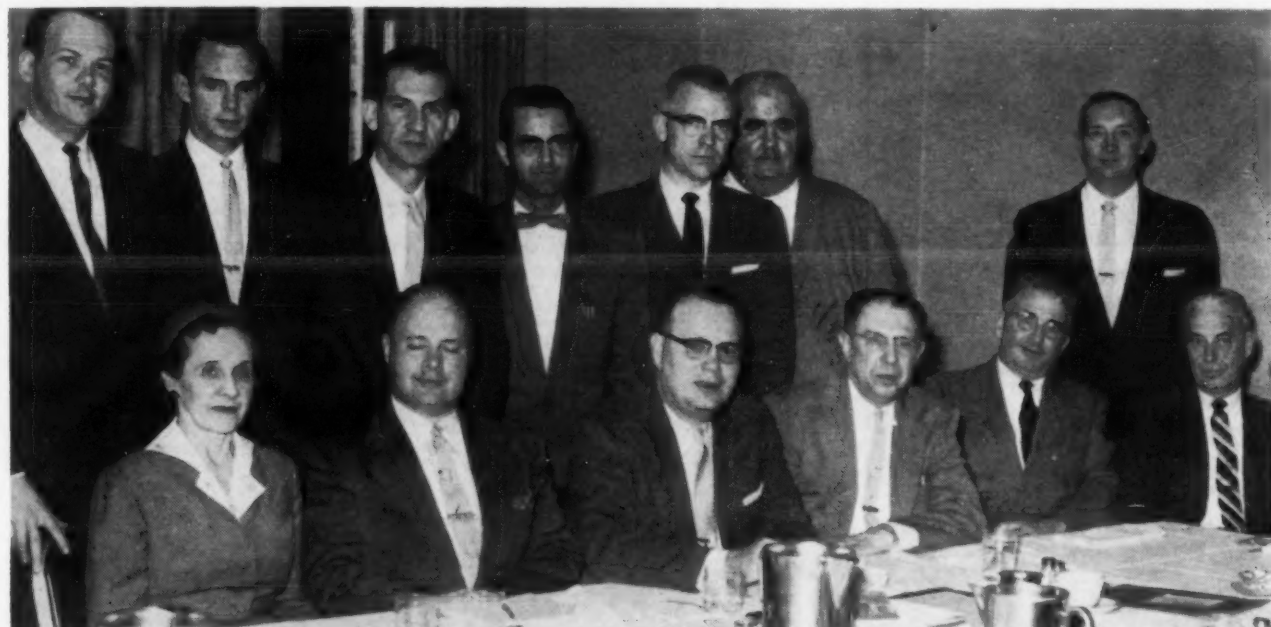
Other officers are Fred W. Schuster, U. S. Steel Products Division, first vice president; J. P. French, Gulf States Utilities Co., second vice president; Gus G. Gulley, Gulf Coast Machine &

Directors named include: Cecil Culpepper, J. R. Sheorn, and Harlan Whitfield.

Honolulu—Purchasing Agents Association of Hawaii has elected J. T. Lee of Gaspro Ltd., president. Other officers are W. W. Brown, vice president; Rae Ann Pagel, secretary; and Merlin M. Bryan, treasurer.

George Wriston, manager of Spencer Trask Co., discussed the current "recession". He felt the recession was being talked up too much, and said a leveling off by the first of July and a definite break in the last quarter were indicated by current economic conditions. Wriston predicted the next two or three years would be prosperous.

Final event of the current season was the annual summer outing at the Commonwealth Country Club, Newton, Mass., June 23. A golf tournament, putting contest, bowling, and swimming was topped off by a roast beef dinner.



N.A.P.A. 4TH DISTRICT Committee Completing Arrangements for Fall Conference.

The conference committee, headed by C. W. Wolfe of Insley Manufacturing Corp., says it recognizes the fact that many purchasing agents in the Midwest area find it difficult, in fact almost impossible, to take time to attend the N.A.P.A. national convention. Thus the committee aims

The conference "is not intended to rehash subjects with which the P.A. is thoroughly familiar, but rather it will involve subjects of challenging interest"

Inquiries concerning the conference may be directed to the Indianapolis association office at 212-A Marott Hotel, Indianapolis 7, Ind.



PHILIP D. RICHMOND

Richmond Named Head Of North Jersey P.A.'s

Newark, N. J.—Philip D. Richmond, district purchasing agent for Aluminum Co. of America at Edgewater, N. J., was installed as president of the Purchasing Agents Association of North Jersey at a dinner meeting June 11.

Installed with Richmond were: first vice president, Howard Webster, Continental Can Co.; second vice president, Theodore Kopacki, Autographic Business Forms; treasurer, Miss Irene Gordon, Wallace & Tiernan; and secretary, Charles Messner, Federal Telephone & Radio.

The group was addressed by Col. William F. Rockwell, chairman of the board of Rockwell Mfg. Co., Pittsburgh, and Rockwell Standard Corp., Coraopolis, Pa.



EDWIN C. DREW

Central N. Y. P.A.'s Elect Drew President

Syracuse, N. Y.—Edwin C. Drew, purchasing agent for Solvay Process Div., Allied Chemical Corp., was elected president of the Purchasing Agents Association of Syracuse and Central New York.

Other officers elected are: vice presidents, W. B. Huntley and Victor Pike; secretary, J. E. Edmonds; treasurer, R. H. Greenfield; and directors, M. Riepel; F. P. Bauman; and J. MacKilligan.

Canton P.A.A. Names Mathis to Presidency

Canton, Ohio—Robert Mathis, Forge Division of Ford Motor Co., has been elected president of the Canton and Eastern Ohio Association of Purchasing Agents for 1958-1959.

Other officers elected May 27 were vice president Harold O'Neil, Griscomb-Russell Co.; secretary, Dwight Barger, Joy

Mfg. Co.; treasurer John Allen, Canton Supply Co.; and national director W. O. Stone, Jr., Babcock-Wilcox Research Center.

Directors elected include: George Clayton, Bonney Forge & Tool Co.; Harold O'Neil; Dwight Barger; Robert Mathis; Jake Stitzman, Ohio Ferro-Alloys Corp.; and William Stone, Jr.

Wilmington P.A.'s Stage Annual Spring Outing

Wilmington, Del. — Forty members of the Purchasing Agents Association of Wilmington enjoyed the group's annual

spring outing at the Du Pont Country Club here June 5, climaxing the season's activities of the association.

Twenty members entered the golf tournament in the afternoon. During the dinner golf prizes were awarded. Door prizes also were drawn.

Outing arrangements were made by L. Robert Clinton, National Vulcanized Fibre Co., chairman, and Robert W. Johnson, Hercules Powder Co.

Cameron F. Jones, Hercules Powder Co., the association's newly elected president, announced the 1958-59 season would kick-off with a dinner meeting on Oct. 6.

Toronto P.A.'s Elect Hammond as Top Officer

Toronto, Ont. — Purchasing Agents Association of Toronto has elected John W. Hammond, Gutta Percha Rubber Ltd., as president.

Ian M. Young, Toronto General Hospital, was named first vice president; Howard G. Belfry, Alloy Metal Sales Ltd., second vice president; and William A. Wells, Canada Iron Foundries, third vice president.

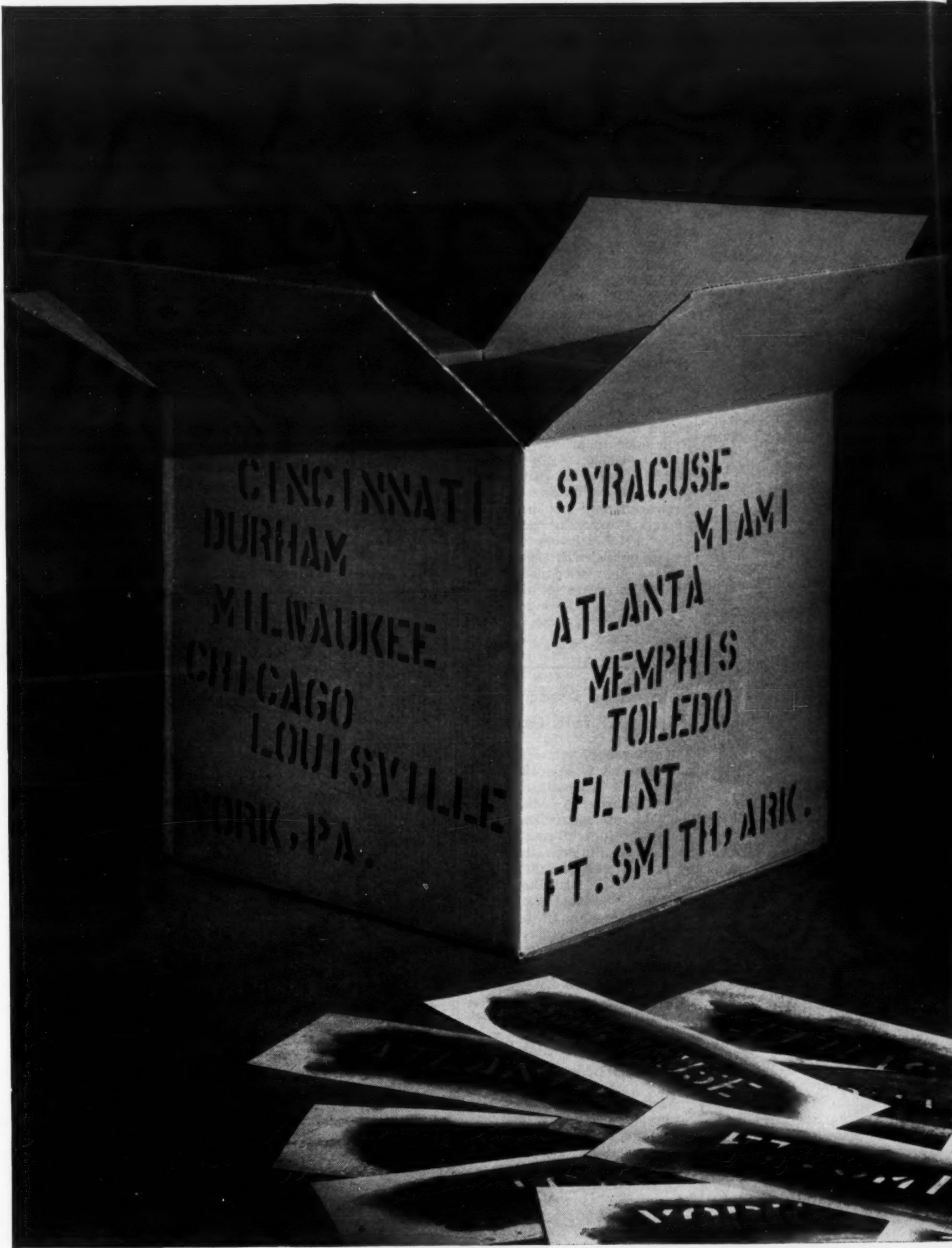
Charles A. Devine, Canadian Pittsburgh Industries; H. D. Keimber, International Business Machines; C. Wilson Tugman,

Standard Paving & Materials; and Gordon A. Young, Aluminum Co. of Canada, were named directors.

Group Names Stark N.A.P.A. Financial Officer

Detroit — Russell T. Stark, director of purchases of Burroughs Corp., has been appointed financial officer of the executive committee of the N.A.P.A.

Stark served Burroughs in both the financial and production departments. He became a member of the Detroit P.A.A. in 1948 and served as national president and director.



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New York Truckers Will Defer Rate Boost

Syracuse, N. Y.—The New York Motor Carrier Conference's proposal to boost trucking rates on a sliding scale by as much as 10% has been deferred for "further consideration."

Major New York state shippers met here June 16, to voice opposition to the proposed increases. After the hearing W. G. Clayton, general manager of the trucking group, said "the new charges will be studied once again and a decision will be announced at a later date."

Under the sliding scale system, less-than-truckload rates ap-

plied to routes within Empire State boundaries would go up 10% on shipments of less than 6,000 lb., and 7% on shipments of 6,000 lb. or over. Truckload rates would be boosted 5% and accessorial minima would jump 10%.

Iron Firm Executive Predicts Ore Stepup

Duluth, Minn.—An iron company executive predicts an accelerated movement of ore near the end of the 1958 shipping sea-

son because of the slow start this spring.

W. A. Sterling, board chairman of Cleveland Cliffs Iron Co., told the Lake Superior Mine Safety Conference that 1958 is a poor year in the ore industry but added that he expects 1959 to be better, with further improvements in 1960.

New Jersey Zinc Co. Cuts Output Second Time

New York—New Jersey Zinc Co. has cut zinc production again, this time to 50% of capacity at its Palmerton, Pa., and

Depue, Ill. smelters. Production was slashed to 70% of capacity last April 23.

The company, which said the reductions stemmed from "flooding of domestic markets by foreign imports," announced that several hundred men were laid off at the two smelters.

Another zinc smelter at Bartlesville, Okla., owned by National Zinc Co., was closed by a strike May 31 after failure to reach agreement on a new wage contract. The Oil, Chemical, and Atomic Workers International Union, A.F.L.-C.I.O., rejected the firm's offer to extend the present contract another 30 days while negotiations continued.

Seaway Effect Termed Gradual

Erie, Pa.—Arthur B. Johnson, Great Lakes operations manager for the W. R. Grade Line, Inc., warned the Council of Lake Erie Ports against "expecting any immediate boom" in trade on the lakes when the St. Lawrence Seaway starts operations.

"Over a long period of time the seaway will provide a great stimulus," Johnson said, "but it will be slow but steady." Declaring his firm expects to get "enough cargo out of the Great Lakes area in 1959 to pay for extended service it contemplates," Johnson said the seaway "is a tool every traffic manager should have in his tool shed."

John A. Ulinski, executive director of the Niagara Frontier Port Authority, estimated Buffalo's loss in grain trade due to the Seaway will be "15% or less." He spoke after Montreal port representatives predicted that city will benefit by ocean-draft ships by-passing Buffalo to ply the seaway all the way to Montreal. Ulinski, however, said the loss will be minimized by Buffalo's "tremendous" milling potential.

Tractor Manufacturers Predict Good Year

Detroit—Two tractor manufacturers here predict 1958 will be a good year for tractor sales. Ford's Tractor & Implement Division says production is up 21% for the first four months, while Massey-Ferguson posted a 19% gain.

The sales surge is coming mostly from the "high plain" states, drought-free for the first time in years. Ford's tractor sales in Iowa alone have jumped 70%. However, this is offset by a depressed Southeastern market caused by a cold, rainy winter.

Estimates indicate about 200,000 wheeled tractors were produced in the U. S. last year. Ford, in No. 3 sales spot, is currently running at about 240 units a day. M-F is climbing with production up to 200 a day.

Arizona Fair Trade Act Ruled Constitutional

Phoenix, Ariz.—Arizona's Supreme Court has upheld the state's 1936 fair trade act in a ruling which reversed a lower court decision.

The act legalizes contracts binding retailers to a minimum price even if they did not sign a contract. The supreme court action came in litigation involving a Mesa, Ariz. drug company and a General Electric suit against a Phoenix discount house.

Onondaga County Sets New Purchasing Post

Syracuse, N. Y.—The Board of Supervisors of Onondaga County has created a new position in the county purchasing agent's office.

The board established the post of assistant deputy purchasing agent to pave the way for the retirement of Clifford E. Dun, deputy purchasing agent, in the near future.

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'Ideology of Trade Unions' Wins C.E.D. Prize for Purchasing Man

Victor H. Frary, P.A.'s Assistant at Abbott Labs., 1 of 50 To Take Honors in National Contest; Academic People Dominate

Lake Forest, Ill.—"Disregarding the possibility of World War III which would transcend all other problems, economic or otherwise, the creed developed by the trade unions will be our most important economic problem."

That statement is the view of Victor H. Frary, assistant to the director of purchases, Abbott Laboratories, North Chicago, Ill. It is the opening paragraph of a 2,000 word dissertation which has just won Frary a top award in a worldwide contest sponsored by the Committee for Economic Development. The C.E.D. is a group of business executives and scholars who work to promote stable national economic growth.

Frary was one of 50 winners out of 1,238 entries from throughout the free world on the subject, "what is the most important economic problem to be faced by the United States in the next 20 years?" Judging was by a subcommittee of C.E.D.'s Research Advisory Board, consisting of two college professors and a college president.

A C.E.D. spokesman described Frary's essay as one of the best of the winners who ranged over problems varying from a coming acute national water shortage to the difficulties of adjusting the economy to the nuclear age. Grave concern over America's goals, its sense of values and direction was the prominent theme. Inflation and how to ward off a

severe depression were next in popularity. Most winners were industrial and university faculty economists. Each received \$500.

"I felt pretty good about the whole thing because it turned out



"LIKE LABOR, it (purchasing) has grown in significance immensely in recent years."

that 37 of the winners were academic people," Frary told PURCHASING WEEK.

"I'd spent a couple of weekends in the library doing research, making notes, and working on the thing. I figured most people probably would say the biggest economic problem facing this country is inflation or depression. I felt the trade unions presented the biggest problem, so I selected as my title, 'The Ideology of the Trade Unions.' I thought I knew what they wanted, and apparently I guessed right."

Frary explained that he did not pass judgment on the union movement.

"I pointed out that they could go either for good or for evil. After all, one out of three people belongs to unions now. Financially, the unions are even bigger than some of the companies with whom they negotiate. In some cases, they're bigger than whole industries."

Frary said he had submitted a few manuscripts before but never very successfully. One piece on printing and duplicating was accepted by a business publication not too long ago, but basically, "I started writing in the last few

years as a means of expressing myself."

Frary also likes to express himself verbally, especially on the subject of purchasing.

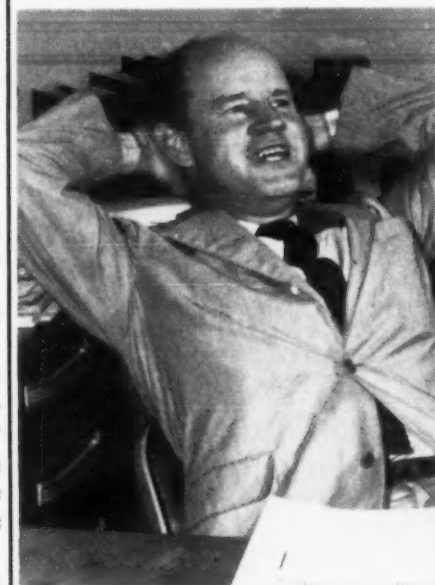
"Like labor, it has grown in significance immensely in recent years," he says. "At Abbott, one of the ten largest ethical drug firms in the country, purchasing has become very important. We have over 30 persons in purchasing—a very sharp crew. We have to be, to keep pace."

Relatively new to purchasing, the 45-year-old Frary began his career at a sprint. He was track coach at Knox College, Galesburg, Ill., as his first job after graduating from Knox during the depression. Frary had been track captain and a star distance runner.

After one year as coach Frary moved on to International Harvester Co.'s steel division. Two years later he went with American Airlines' sales office in Chicago. He also did graduate work at Northwestern University's school of business administration.

The Navy occupied Frary during World War II, and upon his discharge he served briefly with a management consulting firm. He went to Abbott in 1947 as a systems analyst.

"I went into purchasing in November of 1956. Abbott was ex-



"I HAVE A HALF ACRE, wife, dog, house, and mortgage. I'm not worried about how to spend the money."

panding so rapidly it was all we could do to keep up. Now my work is still basically value analysis, but I do some buying work and also work with the people in our training program."

Aside from an occasional excursion into essay or article writing, Frary finds his spare time occupied largely by his home and family. But he may play a little golf.

What's he going to do with the \$500?

"Some of my friends wanted us to have a big celebration," Frary explains. "But we didn't have any big blowout. I have a half acre, a wife, a dog, a house, and a mortgage. I'm not worried about how to spend the money."



Fort Wayne P.A.'s Elect Officers

Fort Wayne, Ind.—Officers were elected for 1958-59 at the Fort Wayne Association of Purchasing Agents' final meeting of the season. The officers seated left to right, are Irving A. Snow, Fruehauf Trailer Co., national director; Carroll R. Lang, Indiana & Michigan Electric Co., president; William G. Brandt, Minnesota Paints, Inc., treasurer, reelected. Standing left to right, are Gilbert G. Strehlow, Allen Industries, Inc., executive secretary, reelected; Donald W. Staples, Weatherhead Co., Inc., first vice president; Walter David, Falstaff Brewing Corp., second vice president.

N.A.P.A. 6th District Starts Slogan Contest To Boost Interest in Oct. 9-11 Conference

Akron, Ohio—Members of the N.A.P.A. and purchasing personnel in District Six are currently in a contest to suggest a theme or slogan expressing the importance, meaning, and timeliness of the district's fall council meeting and conference.

The conference, sponsored by the Purchasing Agents Association of Akron, will be held October 9 to 11 at the Sheraton Hotel here.

The theme or slogan cannot be more than seven words. All entries must be received by the conference committee no later than July 14.

The winner will receive a full registration for himself and his

wife for the conference and all social affairs.

North Alabama P.A.'s Name Officer Slate

Decatur, Ala.—The newly-formed North Alabama branch of the Purchasing Agents Association of Alabama has elected L. C. Highfill, purchasing agent for Reynolds Metals Co.'s alloys plant at Sheffield, Ala., as its president.

Other officers are John C. Fisher, first vice president; Alton H. Belcher, second vice president; T. C. Lavinder, secretary, and J. F. Keown, treasurer.



Little Rock A.P.A. Elects Officers

Little Rock, Ark.—J. K. Chambers, Aluminum Co., of America, was elected president of the Little Rock Association of Purchasing Agents at the May meeting.

Other officers named include: Carl Wallace, Buckeye Cellulose Corp., first vice president; H. R. Beam, McAlester Fuel Co., second vice president; Clifford Young, Malvern Brick & Tile Co. and A. B. Cook Co., secretary; Kenneth Crain, Reynolds Metals Co., treasurer, and Lon Griffin, Crow-Burlingame Co., national director.

John Joyce, Little Rock Road Machinery, and Richard Jones, Voss-Hutton-Barbee Co., were named local directors.

Jerrell Glover, retiring national director, reported on the National Association of Purchasing Agents' Convention which was attended by seven Little Rock chapter members.



"I'D SPENT a couple of weekends in the library doing research, making notes, working on the thing."

Quotes That Helped Win for Frary

"Unionism will evolve in the next 20 years or less into a greater force for good or evil. It will not remain static."

"The unions' greatest strength is in their vast membership."

"Creeping socialism best describes the present trend. The demand by unions to 'look at the books' and the brazen suggestion to management of setting product prices as the price of possible labor peace are obvious omens."

"A new form of communism may well develop from the unions' policies of 'equal pay for equal work' and industrywide bargaining. Labor has denied the relative merits of skill and knowledge."

"The sociological side of unionism poses a peculiar problem that can damage our economy and more . . . labor and politicians persist in dividing the nation into classes. The balance of our population just doesn't classify people by castes."

Foreign Perspective

JUNE 30
JULY 6

Moscow—Russia is on the verge of launching a massive new program to expand its textile industry.

Though the accent will be man-made fibers and fabrics, conventional fibers like wool, cotton, and silk won't be neglected.

Kremlin leaders are now publicly stating that they want to expand capacity of man-made fiber plants 4-5 times by 1965.

Khrushchev has already indicated he'll shop around in the West for equipment to meet his new goals. But it's still too early to guess exactly what these orders may add up to. Rough estimates, however, put the total in the billions.

England and Germany will probably get the biggest share, at least at first. Both these countries are more dependent on exports and are likely to push harder for orders.

Uncle Sam's controls on exports to the Soviet Union may hamper American sales efforts.

Bonn—Latest foreign trade statistics point up the healthy position of the West German Republic.

In May, Germany reported a whopping \$147.4 million trade surplus, resulting from lower imports and another boost in exports.

The export picture is particularly encouraging. Total foreign shipments in the first five months of this year were \$52.5 million above 1957. Automobiles sparked the gain with the 1958 total running a sharp 27% above the comparable 1957 period.

This optimistic trade picture is just one facet of a generally bright picture. **Just recently Economics Minister Ludwig Erhard said that fears of an economic dip in West Germany have ceased to exist.**

In an interview (with "Die Welt") on the tenth anniversary of West Germany's spectacular currency reform, Erhard declared that the influx of orders for industry has increased recently and that prices were yielding under pressure of competition.

He added that developments in the United States could not have any "dramatic" repercussions on the German economy.

London—Prospects for a European free trade area are still none too bright. Hope of kicking it off on January 1 is gone.

Principle stumbling block is Britain who objects to current proposals on two counts. First, because she would have to share some of her imperial preferences with common market nations.

Secondly, recommendations on how free trade area tariffs and duties would be arranged are based on an Italian scheme which already has met with a lukewarm reception in Britain.

There's one note of hope. The British, while still objecting, have repeatedly stressed they're for the "free trade" idea.

Moreover, current proposals are a lot less objectionable to the English than the ones advanced several months ago in the so-called French free trade area plan.

Meanwhile, French political and financial situations have further complicated the outlook. DeGaulle's attitude toward the free trade concept is a question mark at best.

Tokyo—Japan and Britain have signed a 10-year agreement on peaceful uses of atomic energy. It opens the way to Japanese purchase of a British nuclear power station of the Calder Hall type.

The Japanese had already called for bids from three British groups on a nuclear power station reportedly of about 150 megawatt capacity. It would cost in the neighborhood of \$56 million.

People here feel it's another indication that England is beating U. S. in the battle for nuclear equipment sales.

They discount the fact that both countries have orders for five power stations.

They emphasize that the British stations have a value of \$224 million and the low-powered American stations have only a value of \$45 million. They further note that British nuclear power units are more powerful and more economical.

New Delhi—The government reports a large textile deal is brewing with Red China.

The Reds are reported willing to buy 50,000 bales of Indian cotton, in an effort to build up their textile industry.

Indian industrialists view the deal with mixed feeling. On the positive side they note it helps India cut down her own heavy cotton stocks and provides needed foreign exchange.

But on the negative side, they fear it may only be a short-term gain. The cotton will enable Red China to build up her textile industry and thereby compete with India.

Chinese textiles have already become quite serious rivals of Indian manufactures in India's traditional markets.

Perlon Output Boosted in Italy

Milan, Italy—Chatillon, big Italian rayon producer, is enlarging both production and development facilities to boost its "perlon" output to 100 long tons monthly by September. Meanwhile, bright prospects are encouraging the firm to complete a new polymerization plant. Chatillon only began producing perlon last year.

Acetate activity is up, too. Chatillon is readying a pilot plant for qualitative and quantitative developing of acetate yarn, besides a cellulose acetate plant for plastic materials.

Last year Chatillon opened a plant to produce "super-super" rayon cord, while a complete laboratory for fatigue study of cord and rubber was set up. Currently, the firm is developing high-tensile textile yarn and improving viscose cord.

Japanese Iron-Steelmen Plan Production Cut

Tokyo — Japanese iron-steel makers are scheduled to slash production even further this month because of a depressed steel market. They cut output by 30 to 40% in March at the advice of the Ministry of International Trade and Industry. The new rate of retrenchment will be fixed soon.

The iron-steel market has been following a downward curve with the steady decline in demand and the suspension of trade talks with Communist China.

The open market quotation for steel plate, going under the \$111-level again, sagged to \$103 per ton at the end of May.

Prices of bar and section steel also dipped to \$89 and \$90—some \$16 below the manufacturers' minimum selling price of \$106.

Russians Building Nuclear Research Site

London—The Russians are building a nuclear research center at the Academy of Sciences in Kazakhstan, according to a Soviet News report. The center will house Russia's first nuclear research reactor as well as a cyclotron, and foundations are now being laid for a radiochemistry laboratory.

Soviet News also reported that one of Russia's largest plants, the Moscow ball-bearing plant, will be "almost entirely automated" by 1965. The publication reported about 90% of the plant's entire output will come from automatic tunnel machines after seven years.

Red China Announces Fertilizer Plant Plans

Tokyo—Red China is surging ahead in its chemical fertilizer industry with the opening of two new nitrogen and fluorineless phosphate plants, Peking radio reports.

The Communists boasted that Hou Teh-Pang, a leading Chinese chemist, personally supervised one of the projects "to be built

in a month" to meet the needs and resources of the country. It was reported that 36 more will be constructed this year.

Japanese chemical fertilizer sources said, "It is incredible to build a plant in one month because it usually takes us 18 to 20 months to build a plant of any appreciable size."

British Will Study Metric System Usage

London—British industry and scientists are going to study the effects of changing over to the metric system of measurement.

The British Association for the Advancement of Science has appointed a committee to report on "the practicability, implications, consequences both international and domestic, and the cost of a change-over to the metric system or the decimalization of weights, measures, and coinage."

Representatives of some of Britain's biggest industrial concerns are participating on the committee which will report on its findings by the end of 1959.

U. S. Jumps Purchases Of Tin from Malaya

Kuala Lumpur—U. S. purchase of Malayan tin last month totaled 2,047 tons, an increase over April's off take of 982 tons. Purchases in March were 975 tons, February, 2,203 tons, and January, 2,342 tons.

Britain's offtake of Malayan tin last month was 120 tons, the lowest so far this year.

Malaya's tin exports last month were 4,164. This brings the total in the first five months of this year to 22,973 tons, compared with 31,082 tons in the same period of 1957.

Japanese Will Open U. S. Electronic Center

Tokyo—Japan is pushing harder for more electronic equipment business in the United States.

The new Japanese Electronic Equipment Exports Promotion Association announces it will open an electronic information service center in New York this summer. The office will conduct market research and service importers.

Aim of the New York operation is to boost Japanese exports of portable radios, parts, and accessories.

Milan Fair Draws Buyers

Milan, Italy—A total of 93,512 foreign buyers from 118 countries attended the 1958 Milan Fair last month. A total of 13,315 exhibitors took part, among which 3,378 were foreign, representing 51 nations and territories.

A new gear lubricant giving the best protection known against friction and mechanical trouble, and a new high-performance automatic transmission fluid will soon be on the market, according to Product Engineering, a McGraw-Hill publication.

Soviets Spurn British Offer

London—Britain's Imperial Chemical Industries is offering Russia the "know-how" of terylene manufacture for \$9 million, according to a Russian source.

The Soviet informant told McGraw-Hill World News I.C.I. was asking \$15 million last year. "The company is still asking at least three times too much," he said.

I.C.I. spokesmen declined to comment on the statement, but acknowledged that Britain's major chemical company has been dicker with Soviet officials "for some time" on terylene.

I.C.I. has exclusive world rights outside the U. S. to the Calico Printers Association patent on terylene. Du Pont holds the rights in the U. S. under the name "dacron."

The British Chemical firm already has granted a terylene sub-license to two companies in Japan, two in West Germany, and one each in France, Holland, and Italy.

Trading Firms Merger Planned in Japan

Tokyo—Daiichi Bussan K.K., a leading Japanese trading firm, has taken another step in rebuilding the prewar giant Mitsui trading company.

Daiichi Bussan will incorporate the Toho Bussan Kaisha, Ltd. effective Oct. 1. Toho Bussan is one of Mitsui's concerns, formed in 1947 when the company was disorganized. According to the firms, the merger will eliminate excessive competition and simplify the management of the Mitsui companies.

Toho Bussan's trade with Red China in 1957 accounted for one quarter of its total business. It also trades with Indonesia, Russia, U. S., Thailand, and Formosa.

British Coal Rationing To End in Mid-July

London—Coal rationing will end in Britain in mid-July after nearly 19 years. Started in September 1939, it is the last major war-time ration program still in effect.

The government estimates production of large coal mainly for domestic and railway consumption will exceed requirements by about 1 million tons this year, reaching approximately 47.5 million tons. There is a surplus of small coal. Price controls end with the rationing.

Lubricants to Contain Molybdenum Base

Montreal—Molybdenite Corp. of Canada, Ltd. plans production of lubricants with a molybdenum base this year.

Company president Paul Ranger said there is a "great demand" for this kind of lubricant, which is a big consumer of molybdenum. He said he is confident there will be a large increase in the firm's ore reserves by the end of the year.

Purchasing Week

McGraw-Hill's National Newspaper of Purchasing

Print Order This Issue 26,635

Gifts Anywhere Can Be a Headache

Gifts being very much in the public eye as a result of Washington happenings, it's only natural that every time a group of purchasing men get together these days they give the subject a thorough airing.

When the problem of gift receiving is the other fellow's, it usually seems mighty easy to solve. However, if you were running things, what would you do in these two honest-to-goodness cases?

As a newly appointed director of purchases, you issued a directive that no one in the purchasing department was to accept gifts of any kind. It took only a few months to realize that your order was causing no end of confusion. You agreed that it should be amended.

But how? Then you hit on it.

"No one," you ruled, "shall accept any gift that will offend his personal propriety."

When you were deluged with requests for a few "for-instances," you merely suggested that each man read and reread the rule and then act accordingly.

Your solution seemed to work until a buyer told you one morning that he had just received a television set at his home.

"I think," he informed you, "that it is perfectly fitting and proper for me to accept it. My personal propriety has not been offended."

Before you decide whether firing the man was the right thing to do, think over the second case which also involves a television set but a different purchasing agent in a different company.

He said: "Buyers must not accept any major gifts."

One morning a top buyer reported that a television set arrived at his home the night before. The buyer, acting under the P.A.'s instructions, informed the salesman donor that the set must be returned.

The next day the salesman was in to see the P.A. and explained:

"I sent that television set to Jim because I wanted to show my appreciation for things he has done for me in the past. I'm not trying to buy future business. If you make me take that set back, I'll consider it an attack on my integrity. Furthermore, I do not want to do business with anyone who mistrusts my motives."

The P.A. insisted, and back went the set. The salesman kept his word. Every order that company sent him for the next six months was returned.

Did either or both of the purchasing directors err in handling those cases? How so? What would you have done?

No matter how you figure it, no matter what you would have done, one thing stands out clearly. You cannot make a rule that will cover every contingency. Whether it's in the field of gift receiving or negotiated buying, it takes a careful weighing of individual facts and circumstances. That's what makes your job both interesting and challenging.

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Your Follow-Up File

How Should P.A. Answer?

Chicago, Ill.

We have a question for discussion which should prove stimulating to your readers.

Since the recession started, there certainly has been much discussion about driving prices down, holding off price increases, etc., and how the purchasing agent can do this effectively. Our question centers around the age-old management question—"how can the purchasing agent prove to his management that he is buying right?"

Usually a financial manager who wants tangible proof that his purchasing department is buying right will ask this question. Since usually more than 50% of a corporation's income is paid out for purchased material, it is certainly a legitimate question for the financial manager to ask. How should the P. A. answer him?

L. W. Brettman
Administrative Manager
Procurement Division
Motorola Inc.

whether or not isolated calls on a prospective customer—say one per year—is of any real value other than eliminating non-users.

Please send us any information you may have which indicates the generally accepted minimum of industrial sales calls for the best return.

A Purchasing Agent

• As a purchasing executive, what do you think the answer should be?



N.I.C.B. Has Inventory Survey

St. Paul, Minn.

On page 10 of the June 16 issue of PURCHASING WEEK in the editorial "Inventories are P.A.'s Business," mention is made of a 100-firm survey made by the National Industrial Conference Board regarding inventories.

Would you kindly advise the writer where or how a copy of this survey might be obtained? We will appreciate any assistance you can give us in obtaining this survey.

E. O. Burchell
Purchasing Agent
Minnesota Mining & Mfg. Co.

• Copies of this survey, "Inventory Management in Industry," studies in business policy No. 88, are available from the National Industrial Conference Board, 460 Park Ave., New York 22, N. Y.

Opportunity for a Manufacturer

Chicago, Ill.

On page 26 in your June 9 issue you show a picture without very much of an explanation as to the source of this item.

The picture is titled, "little machine does big job in industry." It makes color imprints on any type of material.

I would be interested in seeing some catalog sheets or advertising literature on this machine.

H. A. South
Assistant Purchasing
Clark Products, Inc.

Lockport, N. Y.

On page 26 of your June 9 issue you show a picture of a machine which makes color imprints on any type of material. We shall appreciate your advising us of the name of this machine and the manufacturer.

A. M. Judd
Purchasing Department
Simonds Saw & Steel Co.

• The manufacturer is: Fife Mfg. Co., Oklahoma City, Okla.

How Many Calls Are Needed?

Hartford, Conn.

We would very much like to know if you have accumulated any evidence as to the relative merits of a one-time sales call.

We are attempting to find out

PURCHASING WEEK Asks You . . .

What do you find to be the most effective way of handling personal buying?

Question asked by: R. F. Locke, Purchasing Director
The Milwaukee Sentinel, Milwaukee



W. J. Hergidan
H. C. Smith Oil Tool Co.
Compton, Calif.

"In theory, I do not think any purchasing department should use valuable time in personal buying. However, I do not feel any hard and fast rule will stand up in practice especially in a medium or small company. We have admittance cards to various 'discount houses' and pass them out freely upon request. In the interest of good interdepartmental relations and in some cases when the employee's service is of long standing, we make exceptions and handle the transaction. It is our policy to stay away from all personal buying as gracefully as possible."

H. J. Keller
Controls Co. of America, Milwaukee

"In Wisconsin a state law prohibits the issuance of a purchase order for employee personal requests except for purchases of tools, safety glasses, etc., required in the pursuit of his work. The Milwaukee Purchasing Agents Association and Wisconsin Manufacturers Association have promoted general observance of this statute. Employees who make requests are informed of the law and diplomatically referred to sources seeking this type of business."



J. C. Frehner
Bowman Dairy Co., Chicago

"To do an adequate job, it is obvious that little of the purchasing department's time can be devoted to personal purchases. The cost of issuing the purchase order, paying the supplier's invoice, and collecting from the employee is often as much or greater than the savings that might accrue to the individual for whom the purchase is made. In other words, the saving to the employee is usually made at the company's expense. We do not issue purchase orders for personal buying, but do accommodate employees to the extent of referring them to reliable suppliers who are also our good customers. In such cases we suggest they work their own arrangements with the supplier."

Hugh Lloyd
Jack & Heintz, Inc., Cleveland

"It's against company policy to issue purchase orders for personal purchases. We've found the most effective way to handle them is to make the arrangements for the supplier and the purchaser to get together. They then handle the matter directly. If the supplier can make the sale and bill the purchaser directly, it's okay with us. Otherwise, we can't get involved in handling billing and payment for personal purchases."



A. M. Trogner, Jr.
Line Material Co., Birmingham

"Our company formerly extended the privilege of personal buying to our employees. After some time we found we were almost operating a department store and management called a halt to the entire procedure. We will not write any purchase orders for personal purchases of any sort. If a vendor wishes to extend discounts to employees we, of course, advise them that any transaction which may result is purely between the vendor and employee without any reference to our company. This policy has been in effect several years and so far has not created any strife among employees and the purchasing department is very happy to be relieved of this function."

Suggest a Question to PURCHASING WEEK Asks You
330 W. 42nd Street
New York 36, N. Y.

June 30, 1958

WHITNEY BLAKE
HIGH QUALITY...

STATION CONTROL CABLES

*RH-RW Rubber Insulation
Neoprene Jacket*

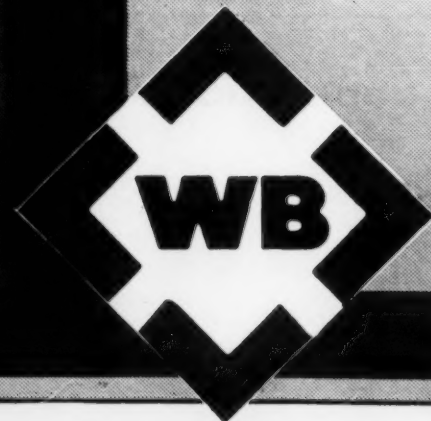
*Polyethylene Insulation
PVC Jacket*

*PVC Insulation
PVC Jacket*

Because Whitney Blake specializes in the manufacture of high quality wire and cables you will obtain long, efficient service from Whitney Blake Station Control Cables.

Rubber insulated and PVC insulated types are rated at 600 volts; polyethylene insulated types at 1000 volts. All are manufactured to IPCEA Specification S-19-81. They are designed for aerial, duct or direct burial installation.

Whitney Blake Station Control Cables can be supplied to your specification or designed for your application. Write for information on special constructions or for complete data on standard types.



WELL BUILT WIRES SINCE 1899

WHITNEY BLAKE COMPANY

NEW HAVEN 14, CONNECTICUT

Purchasing Week



"Some of the most alert students ever seen in Milwaukee" was title these visitors earned.



CLOSE ATTENTION TO PAR
equal attention Milwaukee



PRESENCE OF NEWSPAPER REPORTER at opening of sealed bids is a dramatic lesson of the "goldfish bowl" atmosphere of municipal buying in the U. S.



OPENING BIDS, Joe Nicholson, city purchasing agent, passes them to Mr. Rizvi of Pakistan. This was a familiar procedure to Rizvi who is a deputy director of stores.



LISTENING AT
Alice Lake ho

Students at the International Cooperation Administration workshop represented . . .



IRAQ: Sahib Hassany Al-Jassin, an administrative supply officer.



BOLIVIA: Luis Fernando Moreno, chief accountant, I.C.A. mission.



PAKISTAN: Muhamed Mukhtar, an engineer.



OTHERS REPRESENTING Ecuador, Vietnam, Afghanistan, Indonesia, Co
Rica, Peru, and Honduras, listen to Milwaukee's William T. Harris



ATION TO PAPER is paid by visitors. By paying in Milwaukee \$61,000 in cash discounts last year.



CITY EXPEDITER HAROLD KRUEGER explains the reminders which he sends to all suppliers. Expediting was problem with which group was familiar.



DEPUTY PURCHASING AGENT Andrew Lehrbaummer explains why each buyer handles just one class of commodities.

Freign Supply Managers Study U.S. Purchasing

Visitors from 12 Different Countries Spent Ten Days in Milwaukee as Part of Four Month Course Sponsored by International Cooperation Administration.



STENING ATTENELY, participants in the 7th I.C.A. International Workshop learned from Miss Rice Lake how Milwaukee department processed over 5,000 purchasing contracts last year.



ROBERT BURMEISTER, materials engineer, answers visitors' questions on work of the city-owned testing laboratories.



AS CHAIRMAN OF ONE SESSION, Mr Rizvi gives his thanks to American instructors.



Indonesia, Costa Rica, and others. Joe Nicholson, the city's purchasing agent was the official host for the ten-day visit.



HAITI: Andre E. Monde, a procurement officer at home.



PAKISTAN: Aman Ullah Zafar, railway stores controller.



ETHIOPIA: Kassa Bezabeh, purchasing officer for I.C.A. mission.

This Changing Purchasing Profession



SMOKING A PIPE, reading, surrounded by his art treasures including terra cotta head, left, which he sculptured himself, Harris relaxes.

A P.W. Profile

Harris, Happy Bachelor and P.A., Is Man with Innumerable Hobbies

Alfred P. Harris, purchasing agent for Air Products Co., Manhattan Beach, California, aircraft parts and components firm, is a sculptor—among many other things.

About seven years ago, finding a little spare time on his hands, Harris enrolled in night sculpturing classes at the Los Angeles County Art Institute. He soon became so proficient in wood and clay sculpture that his work was entered in several shows.

Harris also collects primitive art. He owns about 75 authentic antique pieces, some of them dating back to 400 B.C. His ocean-front home, which he designed himself, is bedecked with Roman heads from the time of the Caesars. There are also ancient works from Persia, China, Mexico, Africa, and the South Seas. At present Harris is considering adding to his collection a Belgian Congo wrought iron axe, said to have been used as a war weapon by the Manzeatu tribe in the eighteenth century.

He also collects books, including first editions. Stacked on the bookshelves, Harris' library spans 130 lineal feet. And he has read them all, reading being another of his hobbies.

Harris is also something of a

camera bug. His home is equipped with a complete darkroom and facilities for editing motion picture film. He owns five cameras, one a 16 mm. professional movie camera, and three projectors.

Much of his movie footage was taken in Europe, travel being another of Harris' avocations. Just last month he acquired a stereo camera to do some 3-D work.

Sailing is another of his hobbies, and he once skippered an 87-ft. schooner into Mexican waters. He sails there occasionally for some fishing.

Working out tweeters and woofers is another pastime of Harris. His 24x38-ft. living room is wired specifically for hi-fi.

Harris is fancied by friends to be a kitchen king. His excursions into the culinary art have turned up such delicacies as chicken cacciatore and beef stroganoff, which he swears are edible.

Somewhat, though, Harris doesn't feel he is being kept busy enough.

"Oil painting," he says, "that's next."

The one obvious question busy purchasing agents might ask is where Harris finds the time to be active in all his hobbies.

"Absurdly simple," he says. "I'm a bachelor."

chasing expeditor and has been assistant director of purchases since 1951.

Virgil Wall has been promoted from assistant traffic manager to traffic manager.

B & D Mfg. Promotes Dahl To Purchasing Manager

Towson, Md.—Alexis N. Dahl has been moved up to purchasing manager by Black & Decker Mfg. Co. He succeeds Glenn C. Wilhide, Jr., who has been promoted to general manager of the firm's subsidiary, Black & Decker Mfg. Co., Ltd., Brockville, Ontario.

Dahl joined the firm in 1955 as a training instructor and in 1956 became training director.

Ronald R. Wheeler has been made purchasing agent at Dayton Power & Light Co., Dayton, Ohio. He joined the company in 1935 and became assistant purchasing agent in 1948.

Blaz A. Lucas, Jr., has been appointed manager of sales for the Ingersoll Products Division, Borg-Warner Corp., Chicago. Lucas joined the division in 1956 as director of procurement and later served as factory manager.

Arthur R. Reid has been promoted from assistant general sales manager of Masonite Corp. to general manager of the firm's fabrication plant at Elizabeth, N. J.

Jack D. Tolliver has been assigned the new post of sales manager, the eastern region, by Tube Turns, Louisville, Ky.

Robert W. Bennett has been appointed a field engineer at Norton Co.'s St. Louis office.

Fred J. Watt has joined Patterson-Kelley Co., Inc., East Stroudsburg, Pa., as assistant to the president. He had been manager of the central station and ammonia equipment section, Worthington Corp.

Gordon H. Platt has been assigned to Taylor Fibre Co.'s New England office, West Hartford, Conn., as a sales engineer. Herbert H. Leeder, sales engineer, has been reassigned to the firm's Chicago office.

T. G. Garfield, Jr., has been promoted to sales manager for linseed oil, Archer-Daniels-Midland Co., Minneapolis.

Obituaries

F. C. Anderson

Louisville, Ky.—F. Carl Anderson, Sr., 72, former director of purchases in the Pennsylvania Department of Property and Supplies, died June 8.

E. R. Stemper

Milwaukee — Eugene R. Stemper, 67, retired director of purchases for L. J. Mueller Furnace Co., now Mueller Climatrol Division of Worthington Co., died June 6. He had been with Mueller 45 years when he retired in 1954 and also was a director of the firm.



CRANEMAN'S VIEW of M.&M. tool show gives idea of exhibit's size. Visitors had more room and were not so rushed as at other exhibitions.

Stage Your Own Machine Tool Show to Attract More Customers

Motch & Merryweather Assembles 60 Machines of Ten Firms and Some of Its Own to Boost Sales

Cleveland—Stage your own show and invite the customers over to see what you've got to offer.

That's the aggressive marketing approach which the nation's biggest distributor of machine tools, Motch & Merryweather, is hoping will pay off soon in more sales.

The M & M attraction was a special week-long demonstration of late-model machines at its new Cleveland plant. The exhibit attracted more than 1,500 top-level production and procurement executives from customer companies, who watched nearly a million dollars worth of machinery perform under low-power factory conditions.

Cut Costs With New Equipment

On display during the week's show were 60 machines made by 10 companies represented by Motch & Merryweather, plus some special equipment made by M & M itself. Theme of the exhibit was timely: "Show how you can cut costs with new equipment."

M & M watched its sales slump in recent months in direct proportion to the machine tool industry as a whole.

"But we knew that some very fine machines were being built and we felt that instead of just talking about them, we would like to have people come and see what this new machinery could do," said C. R. Kubik, vice president of the machine tool distributor.

Hoping for the Future

The company is convinced its hard promotion will pay off.

"It may not be right away," says R. W. Banfield, M & M president. "But we feel sure that the men who saw the show are going to try to work some of the equipment into their budgets as soon as they can."

Some of the machines exhibited were being shown for the first time. Some will not go on public display again until the national machine tool show in Chicago in 1960.

The idea cost M & M a pretty penny. The equipment was shipped to Cleveland by the manufacturers, but costs of in-

stalling the machines and putting them under power were paid by Motch & Merryweather.

A cost-cutting operation that drew considerable attention was a "cold heat" gear tooth induction hardening machine which eliminates grinding in production of precision gears. Manufactured in the U.S.A. by Gould & Eberhardt, Inc., under license from Delapena & Son, Ltd., a British firm, the machine submerges the gear in a tank of water for heating, and hardening takes place with virtually no distortion so that subsequent grinding is unnecessary.

Surface Grinder "Moves"

A new surface grinder with a table speed of 125 feet per minute was shown for the first time by the Norton Co. The fast table speed produces a better grinding surface and reduces rubbing.

The Buffalo Forge Co. demonstrated a new combination machine that performs punching, shearing, bar cutting, plate slitting, notching and coping operations without tool changes.

These are only a few examples of the cost-cutting capacities of new machine tools, and as an M & M executive pointed out "cutting production costs is a top consideration in the metal-working industry."

Gasoline Consumption Hits Record High

New York—Gasoline consumption reached another record peak in 1957, with no less than 20 states each requiring a billion gal. or more for motor vehicles, according to the American Petroleum Institute.

For the nation as a whole, consumption amounted to 57,402,000,000 gal. in 1957, compared with 56,022,000,000 gal. the previous year. That's a gain of 2½%, the Institute noted.

California continued to be the nation's greatest consumer, with Texas, New York, Ohio and Pennsylvania following in that order. Others in the first 10 were Illinois, Michigan, New Jersey, Indiana, and Florida.



HARRY BROWN



TOM PATERSON

Brown Heads Purchasing at Gates Rubber Co.

Denver—Harry Brown, a vice president of Gates Rubber Co., has been given over-all direction of purchasing and traffic. His new assignment follows the retirement of William H. Button,

vice president in charge of traffic. Brown has been with the firm 22 years.

Tom Paterson has been appointed purchasing agent. He joined the firm in 1944 as pur-

Meetings You May Want to Attend

First Listing

Fourth Annual Joint Military Industry Packaging and Handling Symposium—Washington, D. C., Sept. 30-Oct. 2.

Previously Listed

JUNE

National Association of Plumbing Contractors—National Plumbing Heating-Cooling Exposition, Pan Pacific Auditorium, Los Angeles, June 30-July 3.

JULY

National Housewares and Home Appliances Manufacturers Exhibits—Auditorium, Atlantic City, July 7-11.

Purchasing Agents Association of Florida—6th Annual Purchasing Agents Institute, in cooperation with the General Extension Division of the University of Florida, Colonial Inn, St. Petersburg Beach, July 17-19.

AUGUST

American Society for Quality Control—Western Region, Annual Conference, El Cortez Hotel, San Diego, Aug. 7-8.

Western Packaging and Material Handling Exposition—Civic Auditorium, San Francisco, Aug. 11-13.

Society of Automotive Engineers—National West Coast Meeting, Ambassador Hotel, Los Angeles, Aug. 11-14.

Institute of Surplus Dealers—Fall Trade Show, New York Trade Show Building, New York, Aug. 17-19.

American Institute of Electrical Engineers—Pacific General Meeting, Hotel Senator, Sacramento, Calif., Aug. 19-22.

West Coast Electronic Manufacturers Association and Seventh Region, Institute of Radio Engineers—Western Electronic Show and Convention, Pan Pacific Auditorium, Los Angeles, Aug. 19-22.

SEPTEMBER

Society of Automotive Engineers—Farm, Construction and Industrial Machinery, Production Forum and Engineering Display, Milwaukee Auditorium, Milwaukee, Sept. 8-11.

National Chemical Exposition—International Amphitheatre, Chicago, Sept. 9-12.

American Die Casting Institute—Annual Meeting, Edgewater Beach Hotel, Chicago, Sept. 10-11.

National Petroleum Association—56th Annual Meeting, Traymore Hotel, Atlantic City, Sept. 10-12.

Instrument Society of America—13th Annual Instrument Automation Conference and Exhibit, Convention Hall, Philadelphia, Sept. 15-19.

National Association of Purchasing Agents, 4th District—Conference, Severin Hotel, Indianapolis, Sept. 18-19.

Steel Founders' Society of America—Fall Meeting, The Homestead, Hot Springs, Va., Sept. 22-23.

The Material Handling Institute—Greenbrier Hotel, White Sulphur Springs, W. Va., Sept. 22-24.

Standards Engineers Society—7th Annual Meeting, Benjamin Franklin Hotel, Philadelphia, Sept. 22-24.

American Mining Congress—Mining Show, Civic Auditorium, San Francisco, Sept. 22-25.

Association of Iron and Steel Engineers—Iron and Steel Exposition and Convention, Cleveland Auditorium, Cleveland, Sept. 23-26.

National Association of Purchasing Agents, 1st District—12th Pacific Intermountain Conference, Hotel Utah, Salt Lake City, Sept. 26-27.

National Builders Hardware Exposition—Hotel Sherman, Chicago, Sept. 29-Oct. 1.

American Society of Tool Engineers—Semiannual Meeting and Western Tool Show, Shrine Exposition Hall, Los Angeles, Sept. 29-Oct. 3.

Purchasing Agents Association of Baltimore—16th Annual Exhibit, Lord Baltimore Hotel, Sept. 30-Oct. 2.

OCTOBER

International Association of Electrical Leagues—Annual Conference, Washington, D. C., Oct. 1-3.

National Hardware Convention—Marlborough-Blenheim Hotel, Atlantic City, Oct. 5-8.

National Institute of Governmental Purchasing—13th Annual Conference and Product Exhibit, Hotel Statler, Boston, Oct. 5-8.

Gray Iron Founders' Society—Annual Meeting, Sheraton Park Hotel, Washington, D. C., Oct. 8-10.

Truck Body and Equipment Association—Ambassador Hotel, Atlantic City, Oct. 6-8.

National Association of Purchasing Agents, 6th District—Purchasing Conference, Sheraton-Mayflower Hotel, Akron, Ohio, Oct. 9-11.

National Association of Purchasing Agents, 7th District—15th Annual Conference, The George Washington Hotel, Jacksonville, Fla., Oct. 12-14.

American Gas Association—Annual Convention, Convention Hall, Atlantic City, Oct. 12-16.

National Electronics Conference—Hotel Sherman, Chicago, Oct. 13-15.

Packaging Institute—Annual Meeting, Edgewater Beach Hotel, Chicago, Oct. 13-15.

Society of Industrial Packaging and Material Handling Engineers—National Industrial Packaging, Handling and Shipping Exposition, Coliseum, Chicago, Oct. 14-16.

Purchasing Agents of Central Iowa—Products Show, Veterans Memorial Auditorium, Des Moines, Oct. 15-16.

National Office Management Association—Montreal Business Show, Queen Elizabeth Hotel, Montreal, Oct. 15-18.

National Association of Purchasing Agents, 8th District—Conference, Mark Twain Hotel, Elmira, N. Y., Oct. 16-17.

Foundry Equipment Manufacturers Association—Annual Meeting, Greenbrier Hotel, White Sulphur Springs, W. Va., Oct. 16-18.

Conveyor Equipment Manufacturers Association—Annual Meeting, Greenbrier Hotel, White Sulphur Springs, W. Va., Oct. 18-21.

National Association of Oil Equipment Jobbers—Annual Convention and Trade Show, Hotel Adolphus, Dallas, Oct. 19-21.

Society of Automotive Engineers—National Transportation Meeting, Lord Baltimore Hotel, Baltimore, Oct. 20-22.

National Business Show—Coliseum, New York, Oct. 20-24.

National Safety Council—46th National Safety Congress and Exposition, Chicago, Oct. 20-24.

Air-Conditioning and Refrigeration Wholesalers Association—Annual Meeting, Sheraton Palace Hotel, San Francisco, Oct. 22-24.

Petroleum Industry Purchasing Management Seminar—Purchasing Agents Association of Tulsa in conjunction with the University of Tulsa, Western Hills Lodge on Lake Gibson, Wagoner, Okla., Oct. 22-24.

American Institute of Supply Associations—Annual Convention, Roosevelt and Jung Hotels, New Orleans, Oct. 26-29.

Independent Petroleum Association of America—Annual Meeting, Statler-Hilton Hotel, Dallas, Oct. 27-28.

American Society for Metals—National Metals Exposition and Congress, Public Auditorium, Cleveland, Oct. 27-31.

NOVEMBER

American Petroleum Institute—38th Annual Meeting, Conrad Hilton, Palmer House and Congress Hotels, Chicago, Nov. 10-13.

National Electrical Manufacturers Association—Annual Meeting, Hotel Traymore, Atlantic City, Nov. 10-14.

National Electrical Contractors Association—Annual Convention and National Electrical Exposition, Adolphus Hotel, Dallas, Nov. 16-21.

National Association of Railroad and Utilities Commissioners—Annual Convention, Westward Ho Hotel, Phoenix, Ariz., Nov. 17-20.


Society of the Plastics Industry—8th National Plastics Exposition, International Amphitheatre, Chicago, Nov. 17-21.

9th National Conference on Standards—Hotel Roosevelt, New York, Nov. 18-20.

List Your Meetings

Associations, societies, and committees interested in calling the attention of readers of *Purchasing Week* to their meetings are welcome to use this column. The gathering should be one of interest to purchasing agents. There is no charge.

Send announcements to: *Meetings Calendar, Purchasing Week*, 330 West 42nd Street, New York 36, N. Y.



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HINDE & DAUCH

Division of West Virginia Pulp and Paper Company

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Foil Welder

For Aluminum

Ultrasonic, aluminum foil welder can be built into automated production line systems or operated manually. Several light-weight welders can be operated from the same ultrasonic generator. Welder produces sealed joints to seal products airtight in aluminum envelopes. It operates at 20,000 cy.

Price: \$2,000. Delivery: 90 days.

Gulton Industries, Inc., 212 Durham Ave., Metuchen, N. J. (6/30/58)



Hydraulic Scrap Shear

One-Man Operated

Huge 600-ton automatic hydraulic scrap shear is two and one-half stories high and is designed for full time outdoor operation. Shear is push-button controlled. Its operating mechanism is completely enclosed and waterproof. Shear requires only one man and one crane for full operation. Clearing shear can handle 15 to 30 tons of scrap per hour, depending upon the kind of scrap being worked.

Price: about \$153,000. Delivery: 18 to 20 wk.

Clearing Machine Corp., Div. of U. S. Industries, Inc., New York 17, N. Y. (6/30/58)

Peelable Coating

Protects Against Corrosion

Peel-it weatherguard is a peelable plastic coating for temporary protection of non-porous materials against corrosion, chemical fumes, or abrasion. It is particularly useful for protection of materials in outdoor storage. Peel-it dries to form a non-flammable, tough, flexible and strippable coating with a tensile strength over 1,500 psi. and an ultimate elongation of 150%. Film has great resistance to all extremes of weather and acts as a barrier to corrosive action by water, moisture, chemicals, and chemical fumes.

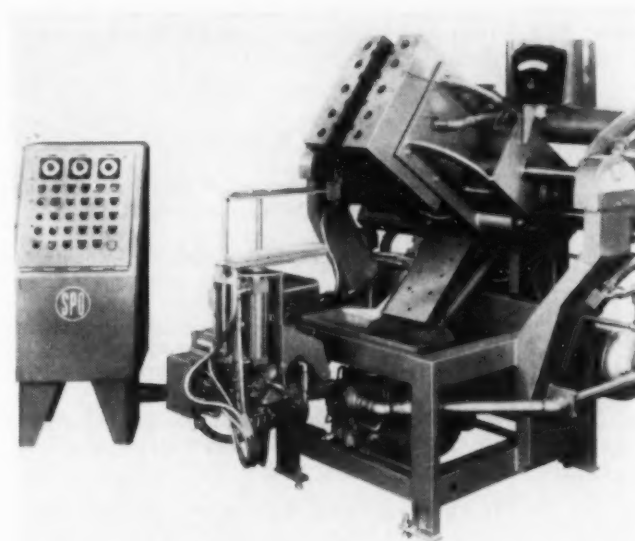
Peel-it weatherguard leaves no oily residue, discoloration, or odor. Applied

to a film thickness of 4 to 6 mils, Peel-it offers protection for 1 to 3 yr. under extreme outdoor storage conditions. Thinner coats may be used according to storage requirements.

Peel-it weatherguard is applied with standard spray gun, using a DeVilbiss MBC gun with #765 air cup and FF needle and nozzle, at line pressure of 70 to 90 lb. and pot pressure of 10 to 20 lb. with 3 to 4 turns of material adjustment valves. These settings will provide a dry film thickness of 2 to 3 mils per pass.

Price: \$3.50 per gal. (55 gal. drums), \$3.75 per gal. (5 gal. drums) fob. Cranford, N. J. Delivery: immediate.

Harco Chemical Co., 335 North Ave. East, Cranford, N. J. (6/30/58)



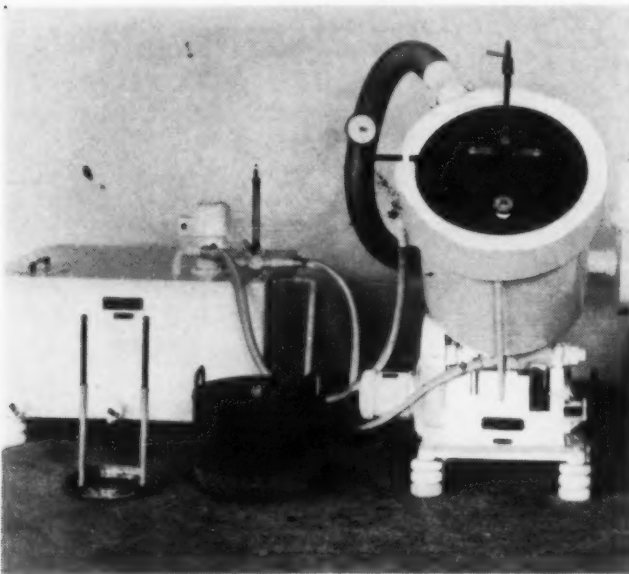
Core Blower

Is Automatic

Model SC-30 is a single-station fully-automatic or manually-operated holo-core machine. It is for fast production of a wide variety of hollow cores and shell molds especially when mixed types and sizes are blown simultaneously. Up to 30-lb. cores can be blown.

Price: \$6,800. Delivery: 5 to 6 wk.

SPO, Inc., 7500 Grand Division Ave., Cleveland 25, Ohio (6/30/58)



Chrome Plater

8 to 10 Lb. Capacity

Standard model barrel chrome plater is used for plating parts of different size and shape. Plating solution flows constantly between plating barrel and storage tank. Model has circulating pump, heating and cooling equipment, two baskets.

Price: \$3,500 fob. N. Y. Delivery: immediate from warehouse.

Dawson Corp., 302 Fifth Ave., North Pelham, N. Y. (6/30/58)



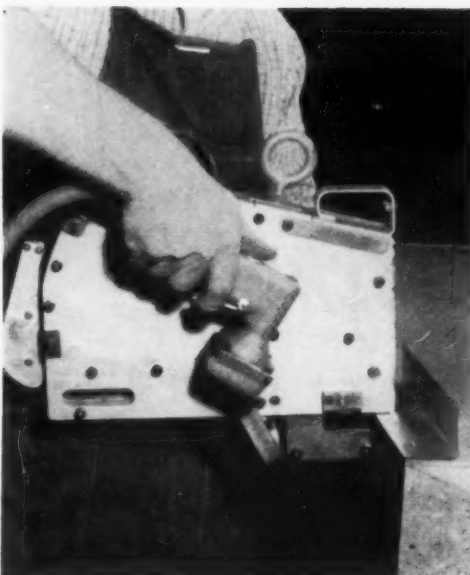
Drilling Machine

Eliminates Height Cage Layout

Flex-O-Drill precision-drilling layout machine has a ground lead screw and dial which can be read to 0.001 in. Measurements can be made to a high degree of accuracy and the dimension setting is locked during drilling. Base line or hole-to-hole dimensioning can be accomplished on the machine by anyone who can read a gage. Machine has an integral bend allowance calculator which permits drilling in the flat.

Price: \$3,150 fob. Akron, N. Y. Delivery: immediate after Oct. 15.

Wales-Strippit Co., 231 S. Buell Rd., Akron, N. Y. (6/30/58)

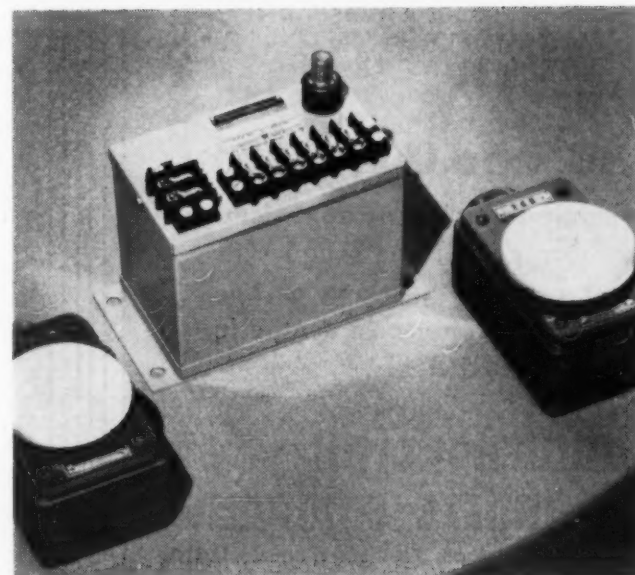


Portable Metal Stapler

Can Staple Steel

Model P-10 air-driven stapler can be carried and operated in the hand, making it unnecessary to move heavy materials while they are being fastened. When handling metals, the stapler handles a maximum combined thickness of about 0.080-in. steel, depending on hardness. Reversible-grip handles permit operation of the machine in any position. A thumb-trip trigger is conveniently located on the handle. Special ball-bearing attachment provides a 360-deg. rotation.

Price: \$895. Delivery: immediate. Bostitch, 2002 Briggs Drive, East Greenwich, R. I. (6/30/58)



Interlock

Has No Moving Parts

Cypak static safety interlock is for presses and other dual-controlled machines. Magnetic control device is tamperproof. To energize machine Interlock requires both palmbuttons or other controls be closed simultaneously. Either button released, machine stops.

Price: \$100. Delivery: immediate.

Westinghouse Electric Corp., P.O. Box 2099, Pittsburgh 30, Pa. (6/30/58)

New Products

Another PURCHASING WEEK service: Price and delivery data with each product description.

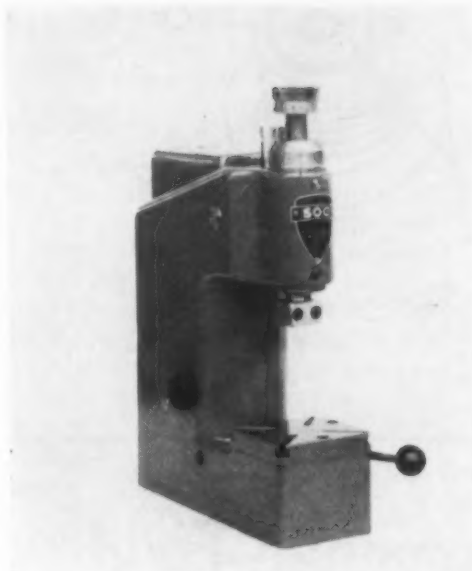
Precision Air Presses

Will Repeat Within 0.0001 In.

Two high precision presses are for all types of production and assembly operations. Model PH 2 has a force of 500 lb. and Model PH 3 exerts 1700 lb. Both machines operate on 85 lb. air line pressure. Length of stroke is adjustable from 0.004 in. to 1.18 in. Ram speed is set by a variable control which does not alter applied force. Bases have "T" slots to simplify fixture mounting. Applied pressure of both machines can be reduced by lowering air line pressure.

Price: \$270 (PH 2), \$561 (PH 3). Delivery: immediate to 2 wk.

American Lip Corp., 610 Fifth Ave., New York 20, N. Y. (6/30/58)



Utility Digger

Tractor Mounted

Two-man cab is available for Blue Ox utility digger, rubber-tired earth-boring and pole-setting tractor. Four-wheel-drive digger carrier may be outfitted with canopy instead of enclosed cab. Vehicle has rear station controls for full operation of winch and earth-boring machine beside standard cab controls.

Price: about \$9,200 (digger and accessories extra). Delivery: 30 to 45 days.

Four Wheel Drive Auto Co., Clintonville, Wis. (6/30/58)



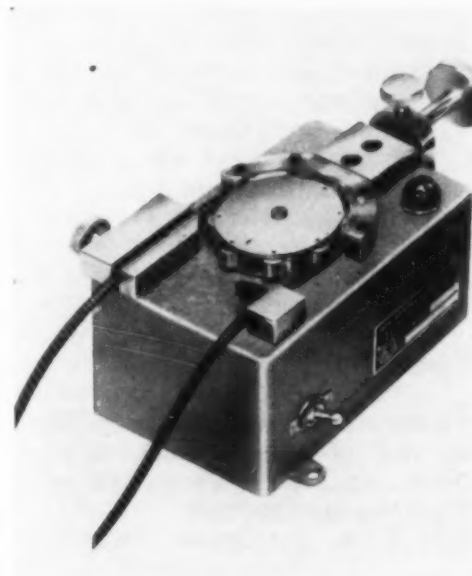
Metering Pumps

Operate at Rotor Speed of 56 Rpm.

Continuous-duty metering pumps transfer liquid and gases through plastic or rubber tubing at very slow rates and with predetermined accuracy. Any one of the Model PA peristaltic pumps may be used, by itself, as a metering device to move materials into reaction vessels, or as an auxiliary pumping unit in conjunction with other equipment. Model PA-1 produces as little as 2 ml. per day. Model PA-93 produces as much as 75 ml. per minute.

Price: \$125 (standard model). Delivery: immediate.

Brunswick Scientific Co., P.O. Box 606, New Brunswick, N. J. (6/30/58)



Pressure Transmitter

Measures Gas or Liquid Pressure

Model 176-GP Teledyne pressure transmitter uses standard servo indicators, recorders, and controllers to accurately measure liquid or gaseous pressures. It will handle most gases and extremely corrosive media including red fuming nitric acid. Pressure cavity has an extremely low volume resulting in fast response to dynamic pressures and is sealed off from the electrical measuring element by multiple diaphragms which provide a positive vapor-proof seal.

Price: \$285 to \$305. Delivery: 3 wk. to 2 mo.

Taber Instrument Corp., 107 Goundry St., North Tonawanda, N. Y. (6/30/58)



Masonry Driller

Is Portable

Machine is designed for use with Cyclo-Core carbide-tipped masonry bits. Rig shortens set-up and knock-down time. Unit is manually or hydraulically operated. Machine develops up to 1,000 lb. or more pressure on cutting edges of carbide-tipped bit.

Price: \$499 to \$1,100. Delivery: immediate.

New England Carbide Tool Co., Inc., 55 Commercial St., Medford 55, Mass. (6/30/58)



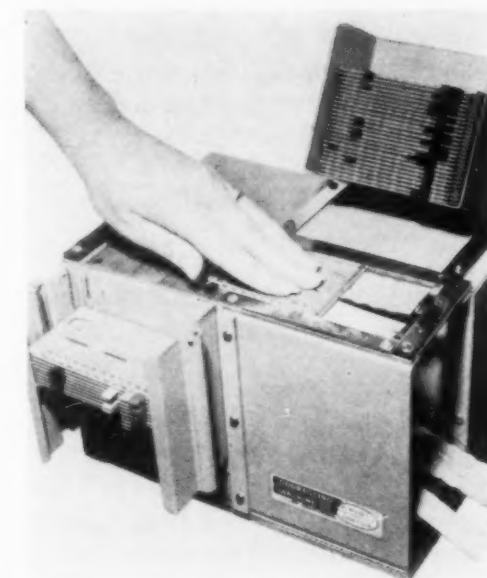
Stripping Machine

For Addressograph Frames

Quik-Stripper is a device to remove plates and cards from all commonly used styles of addressograph frames, including frames holding more than one plate. One hopper holds unstripped frames and another holds stripped frames. Operator never touches embossed plate or ink on the plate when stripping frames with this device.

Price: \$97.50 to \$137.50 (depending on basic model needed and style of frame to be stripped). Delivery: immediate.

Addressing Machine Co. of California, 667 Mission St., San Francisco 5, Calif. (6/30/58)



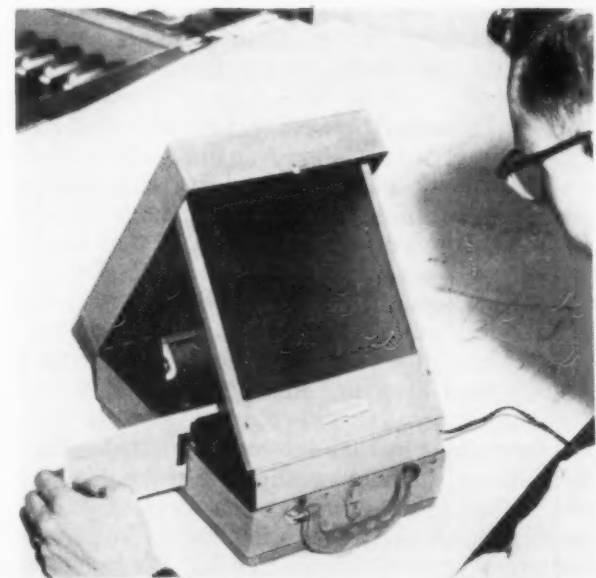
Microfilm Readers

For 35 mm. Apertures

Portable units are the Inspector "50" and Inspector "25." The "50" is a fully portable mechanical unit weighing 5 lb. The "25" is a hand viewer which weighs about 3 oz. Designed for "D" size aperture the "50" enlarges full microfilm frame onto an 8x8 in. screen. The "25" is a magnifier with 2 lenses and a plastic mount for insertion and registration of tab-sized cards.

Price: \$59.50 ("50"), \$5.50 ("25"). Delivery: immediate.

Filmsort Co., Pearl River, N. Y. (6/30/58)



Intercommunicator

Two Types Offered

Key-municator is small and streamlined. Transistorization eliminates electronic noise and crackling. Finger touch system.

Price: \$140 series 600 (vacuum tube) master unit; \$30 remote unit. \$220 series 1200 (transistorized) master unit; \$30 remote unit. \$100 (power supply). Delivery: about 60 days beginning Aug. 20.

Stromberg-Carlson, Div. General Dynamics Corp., Rochester 3, N. Y. (6/30/58)



Product Perspective

JUNE 30-JULY 6

Looking for the right fastener for the job sometimes takes on all the features of searching for the proverbial needle in the haystack. There are thousands of different kinds and each has specific applications.

But it's a ready-made situation for purchasing executives using value analysis. First of all today's modern fasteners are more than just devices for holding two or more parts together. There are fasteners that perform this function while they:

- Let you release the held part with a partial twist.
- Cut their own threads.
- Act as their own lock nuts.
- Seal the joint between two parts.

Value analysis lets you slice through this thicket, pick out precisely the fastener you need. There's little difference, compared to other products, in the value analysis approach as applied to fasteners. Even if value analysis doesn't turn up the fastener, it will surely lead to a special-purpose fastener that can be made by a supplier to do your specific job.

There are some points to consider: Can I use self-tapping screws; can the present fastener be re-designed to combine functions; will a combination washer, or locknut, and screw save assembly time; will a different fastener permit machine setting; can rivets be used instead of removable fasteners where disassembly is not expected; will a retaining ring cut the number of parts on a shaft assembly.

When you look for a supplier: Does he have the engineering and production talent to make up special fasteners in a hurry; how wide a range of fasteners does he offer; does he stock the fasteners you want locally.

It's almost certain that there is a fastener that will do the job better than the one you are using now—or there will be the next time you make an analysis. **While you are casting about for the fastener, these are new and worth your consideration:**

• **Combined wood screw and stud** saves assembly costs on wood, plastic panels. Wood screw threads are left-handed, close to the head. Machine-screw threads are standard, below wood-screw threads. Standard heads and screw sizes are available. (Shakeproof Div., Illinois Tool Works)

• **One-piece hex lock nut** for No. 6, 8, 10 screws provides exceptional range of spring action. Spring is an integral radially-split Belleville washer under nut. Washer deflects 0.015 in. before seating, will break the screw if driven solid. (Reliance Div., Eaton Mfg. Co.)

• **Self-drilling, self-tapping screw** drills tap hole and cuts thread in plastic, aluminum, steel—all in one operation when driven by a standard nut-running tool. (Reliance Div., Eaton Mfg. Co.)

• **Thread-locking blind fastener** for 10-32 and ¼-28 threads has serrations under the head to provide resistance to turning equal to key construction but without special drilling. (Aviation Products Div., B. F. Goodrich Co.)

• **Self-tapping thread inserts** have a nylon thread-locking insert. (Groov-Pin Corp.)

• **Sealed threaded ports** can be had for lightweight hydraulic equipment with a combination thread insert and O-ring. Unit takes standard fittings. (Heli-Coil Corp.)

• **Toothed locking washer integral with nut** lets edge of washer deflect for spring action under tightening force. (Russell, Burdsall & Ward)

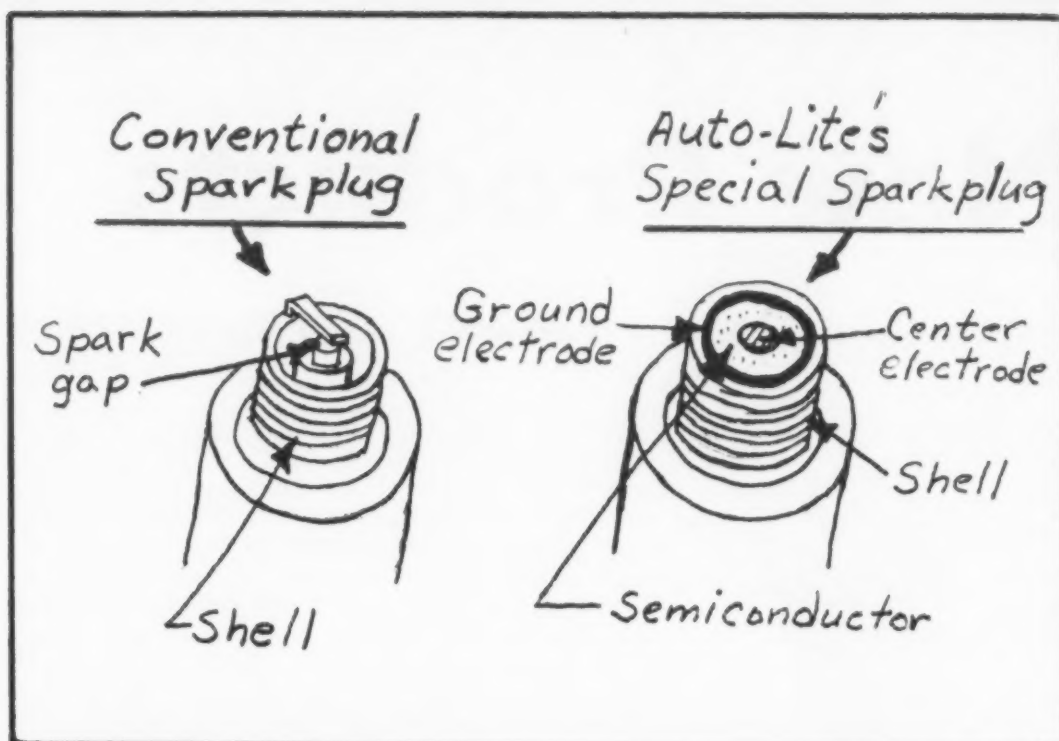
• **Multiple tubing clip** for hydraulic, lubricating, air, or instrument lines consists of a sheet-metal stamping. It snaps into place through two holes and holds lines under spring pressure. (United-Carr Fastener Corp.)

• **Insulated-head screw** has the screw molded as an insert in a hex head of nylon; a flanged hex nut in No. 4 size; molded nylon machine screws with recessed head in a full range of sizes from No. 4 to ¼ in.; round head tamper-proof nut die cast in the ½-13 size. (Gries Reproducer Corp.)

Life gets easier all the time department. Pushbuttons and an electronic brain will do away with the hard work of searching through reference books say Russian scientists. They're working on a universal information machine that stores blocks of paper sheets with information recorded on them in code. The problem right now is how to "read" the information.

The Russians first trial is a machine that answers eight questions fed into it through a telephone-like dial. Answer appears on a television screen in stationary or moving text. Next: a machine that does the right thing with the information.

Correction: In our June 9 issue, page 18, we described General Mills new mold release agent. But we went astray with the price. The price should read \$7.30 per gal. rather than \$7.30 per 5 gal.



SKETCH shows difference between conventional and Auto-Lite spark plugs.

Transistors Enter Automobile Field; Ignition Systems May Use Them

Toledo, Ohio—A new mass market for transistors—the tiny devices that can replace vacuum tubes in many applications—may soon open up. Electric Auto-Lite Co. has on test four automobiles that except for under the hood are identical with Detroit's latest models. Purchasing agents should become aware of them now. In four or five years they are likely to be common.

There's a 12-to-1 compression ratio engine in each auto. And each has a transistorized ignition system.

Auto-Lite says its ignition system performed reliably during thousands of test miles. Spark plug life is said to be extended to 30,000 miles.

Its system will most likely be used first in military vehicles. Right now the auto industry doesn't need transistorized ignition systems. But Auto-Lite figures to be ready when the industry does. Today's engines average about 10-to-1 compression ratios. They're efficient operating with conventional ignition systems, especially when the fuel used contains anti-fouling compounds.

But higher compression ratios would demand more than present ignition systems offer. Small engines, too, seeking power and economy through high speed and high compression ratios could push a new ignition system to the fore.

Auto-Lite's system consists basically of a transistorized oscillator and a specially designed spark plug. The oscillator's circuit has special features that provide stable operation and instant starting. Timing is done mechanically in the conventional manner.

The company claims that its special spark plug is economical, good at both high and low speeds. Spark from a center electrode arcs along a semiconductor to a circular ground electrode. Normally the spark path is random, giving even erosion. Should it stay fixed over a period of time, erosion will force it into a new channel of less resistance.

The system operates at a much lower voltage than the conventional system—500 to 5,000v. as against 20,000v. This low voltage lets the special spark plugs have wide heat range. When the transistorized system comes into widespread use, stocking different types of sparkplugs will be eliminated. Only a single heat range in a few different thread sizes will be needed to fit all vehicles.

More Developments In the Auto Industry

New York—Transistors are looking to the automotive industry for still another application. General Motors Delco-Remy Division is reported to be working on a

transistor regulator and a self-regulating ac. generator using silicon diodes.

Six silicon diode rectifiers are built into the generator frame. This construction is reported to eliminate the need for external rectifiers and extra wiring. A current regulator is also eliminated.

The transistorized voltage regulator used with the generator has no moving mechanical parts. It is said to be a vibrating-type voltage-sensing unit that provides long-lasting settings and needs no servicing.

The front-wheel drive used on military vehicles and off-the-road trucks is seriously being considered for passenger autos by at least one manufacturer.

Stylists have introduced lower and lower silhouettes. This trend has pushed the drive shaft tunnel higher and higher into the passenger compartment. A front-wheel drive design would eliminate the tunnel.

The last U.S. passenger car to have front-wheel drive was the 1937 Cord. But the drive had a number of bugs which were never rooted out. Now improved designs of front-end components make another look at front-wheel drive worthwhile.

Detroit is also studying another way to lower the shaft tunnel. It's called the "trans-axle" system. Basically it combines the transmission with the differential and rear axle.

With trans-axle, though, you would still have a tunnel even if it were lower than in present cars. Front-wheel drive does away with the tunnel completely.

The problem of making inexpensive turbine wheels for automotive gas turbines looks like it's licked.

Joint effort by the Ford Motor Co. and Steel Improvement & Forge Co. has come up with a technique for making turbine wheels that may be able to lower wheel cost to one-fifth or better compared with conventional machining techniques.

Following the new technique, a hot extrusion forging is used to make the wheel. Previously manufactured turbine blades are positioned in a fixture made of an outer ring and an inner die. Molten Kirk-site is poured around the blades in the space formed by the ring die. Blade roots are left exposed.

The inner die is then removed and replaced by a hot billet. The billet is extruded around the blade roots locking them in place. Kirk-site is melted away leaving a wheel needing little machining.

The process makes a wheel that has high-load carrying ability and is free from stress concentrations.

Profitable Reading for P.A.'s

"Reading Maketh a Full Man"—Bacon

Where to Find It

How and Where to Look It Up. By Robert Murphey. Published by McGraw-Hill Book Co., 330 West 42nd St., New York 36, N. Y. 736 pages. Price: \$15.00

Most anyone involved in the search for information should find this book a virtual gold mine. It can help tell you how to get the information you want, where to find it, and how to evaluate and use it. There's a section headed "Purchasing" which lists sources of information on a wide variety of fields of interest to purchasing executives. Some sample sources listed: Modern Packaging Encyclopedia and Where to Buy Supplies for Educational Institutions.

The book has a four-part content:

1. An introduction that describes the general format of reference works and how they can be used.
2. A description of the general types of reference sources—encyclopedias, dictionaries, annuals, guides to books, periodicals, and directories. Sources of information such as government branches, associations, commercial firms are also included.
3. Specific sources of information about people, places, and things are covered in this part.
4. Index lists both major and minor subjects, simplifies the search for the information you want.

These four parts combine to tell you:

- How to find information in periodicals, newspapers, magazines, and books.
- How to locate sources of photographs, film, film strips, and slides.
- How to get information from government publications, services, and departments.
- How to use commercial and trade organizations and foreign information sources.

Portable electric and air tools are described in new 1958 industrial tool catalog, No. 85. It contains 47 pages of portable power tools, including balancers, bench grinders, drills, generators, hammers, valve seat grinders and many others. Copies can be obtained by writing Thor Power Tool Co., Prudential Plaza, Chicago 1, Ill.

"Drafting Standards for Micro-filmed Engineering Drawings" is title of 8-page report. It discusses simplified drafting, minimum letter heights, line and background densities for active engineering drawings to be microfilmed, unitized and reproduced in reduced size by electrostatic printing and offset. Copies are available from Filmsort Co., Div. of Miehle-Goss-Dexter Inc., Pearl River, N. Y.

Movable wall system is described in 12-page brochure. It presents key features, complete architectural specifications, and detailed sectional drawings. Some of the design variations possible with the new system are diagrammed; photographs of panels, posts, ceiling trim, door frames, and other components complete the description. Brochure is available from E. F. Hauserman Co., 7516 Grant Ave., Cleveland 5, Ohio.

Antifoams, used to control foaming and carryover in steam boilers, are described in 4-page brochure, No. HSP-905. It covers both Antifoams available—C-1, a light colored, water-soluble liquid, and HP, a dry brown powder. Copies can be obtained from Dept. 410, Hagan Chemicals & Controls, Inc., Hagan Building, Pittsburgh 30, Pa.

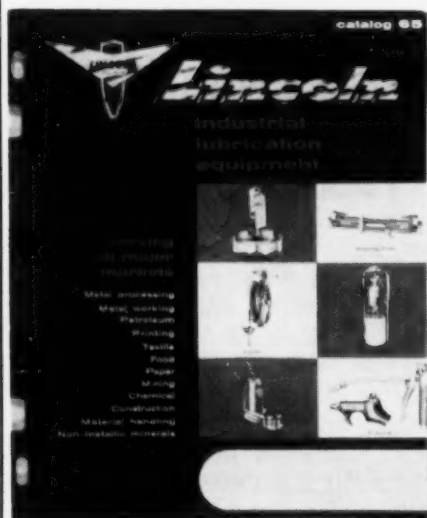
Roll neck seals are described in new data sheet. Sheet gives complete description and specifications, and explains new design that eliminates maintenance and prevents roll neck damage. Data sheet can be obtained by writing Syntrol Co., 936 Lexington Ave., Homer City, Pa.

Hand tools and accessories are described in 6-page brochure. The equipment for which illustrations, descriptions, and specifications are included are hand tools, collar splitters, grip gages, step drills and many others. Copies can be obtained by writing Huck Manufacturing Co., 2480 Bellevue Ave., Detroit 7, Mich.

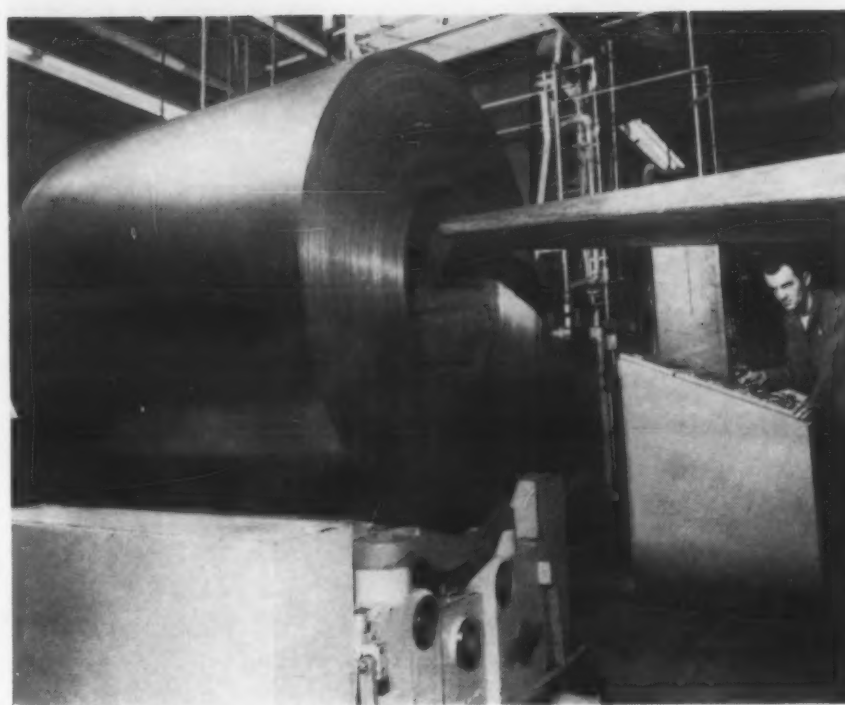
Diffused-junction silicon rectifiers are described in 4-page folder. It covers dimensional data, electrical characteristics, temperature ranges and types of packaging and finishes available. It also illustrates basic types of vacuum processed selenium and copper oxide rectifiers. Folder is available from Bradley Laboratories, Inc., New Haven, Conn.

Plastics injection-molding machine is described in bulletin, No. 58P80. Complete specifications, standard and optional equipment are covered. Copies can be obtained from Hydraulic Press Mfg. Co., Div. of Koehring Co., Mount Gilead, Ohio.

Weigh-feeder equipment is described in 12-page catalog. It gives complete descriptions, data, and specifications on nine Gravitric feeders, automatic batch weigh plants, and bag weigh machines. Copies can be obtained by writing Syntrol Co., 936 Lexington Ave., Homer City, Pa.



Air-motor operated lubricant pumps are described in catalog, No. 65. Series of "Power-Master" pumps, including the "Dyna-Ram" air operated pressure primer for pumping extra heavy lubricants and "non-flowing" compounds; the "Pile Driver", pressure primer; and the "Niagara" Pump are described. Copies are available from Lincoln Engineering Co., Natural Bridge Ave., St. Louis 20, Mo.



AMERICAN CAN CO.'s plant treats chemically rolled steel. Operator handles rewinding and removal of coils for use by Canco plants.

American Can Co. Opens Plant At Hammond to Process Steel

Hammond, Ind.—American Can Co.'s new plant for processing tin plate and steel plate from coils for the manufacture of metal cans represents another step in the can making industry's fight against rising prices and possible future shortages of tin.

Built and operated by the firm's Canco division, the plant will not manufacture containers but will perform two basic functions:

- Chemically coat steel plate (black plate) for use in "tinless" cans.
 - Shear huge coils of both tin plate and chemically treated plate into can-making sheets up to 36x36 inches in size.
- Sheets produced at Hammond will be shipped to Canco plants in Illinois and Indiana. Chemically treated plate will be shipped to plants throughout the nation. Less than a year ago, all can

makers received their basic raw material—tin plate—in rectangular form, inspected, sheared, bundled, and shipped by the mills.

Now American Can Co., seeking new efficiencies and economies in its can making operations, is starting to change this traditional purchase of cut plate from the mills and is taking an increasing amount in the form of coils, some of which measure three miles in length.

The Hammond plant is equipped with eight Wean processing lines, each capable of transforming 17,500 lb. coils into precision-sheared sheets of can making plate. Its chemical treating line is the only one of its kind in the world. The plant also has a Littel processing line which shears the chemically treated plate and slightly smaller coils of tin plate than those placed on the Wean equipment.

Amer. Powdered Metals Buys Yale & Towne Plant

White Plains, N. Y.—American Powdered Metals, Inc., North Haven, Conn., has purchased the business and production equipment of Yale & Towne Mfg. Co.'s Franklin Park, Ill. plant.

American Powdered Metals plans to continue production and maintain continuity of service to the Franklin Park plant customers.

National Steel Buys Crown Cork Tin Unit

Philadelphia—National Steel Corp. has acquired Crown Cork & Seal Co. Inc.'s tin plate manufacturing equipment.

A Crown Cork spokesman said the tin plate unit, part of the company's Baltimore plant, will close down within 90 days.

Sales District Added

Akron, Ohio—Firestone Tire & Rubber Co. has created two new sales districts in Florida and California. The Florida district covers the southern part of the state from Vero Beach to Ft. Myers formerly serviced by the Jacksonville district. Los An-

geles county constitutes the new California district formerly serviced by the Southern California district.

Linde Co. to Build Oxygen, Nitrogen Plant

New York—Linde Co. Division of Union Carbide Corp., will build a new 300-tpd plant at Pittsburg, Calif., to supply liquid oxygen and nitrogen to the expanding West Coast missile industries.

First section of the plant is expected to be in production by June, 1959. When fully completed, the plant will have a capacity of more than 220 million cu. ft. a month.

Pittsburgh Coke Co. Ups Plasticizer Output

Pittsburgh, Pa.—The growing use of vinyl plastics has prompted the Industrial Chemicals Division of Pittsburgh Coke & Chemical Co. to increase plasticizer production capacity 50%.

The company recently doubled its phthalic anhydride capacity, the raw material of phthalate plasticizers, alkyd resin paints, polyester resins, and phthalocyanines.

Boeing Airplane to Seek Annual Lumber Bids

Seattle—The Boeing Airplane Co. has inaugurated a new policy of buying lumber and plywood under annual bid calls which it expects will cut both inventory and transportation costs.

Under the former program of buying in smaller lots at more frequent intervals, Boeing was forced to maintain an average \$375,000 inventory in a warehouse at Tacoma, 25 miles south of its main plant here.

The materials were moved to Seattle, as needed, in company trucks. Efforts were made to combine shipments with other materials to reduce transportation costs, but this was not always possible.

The company plans to buy an estimated \$500,000 worth of plywood and dimensional lumber under the new program. The Georgia-Pacific Corp. will furnish plywood and the Mauk Seattle Lumber Co. will provide dimensional hemlock and fir during the present year. They will warehouse their products for the Boeing lumber inventory, thus freeing the Boeing warehouse for other purposes.

Quaker Rubber, Leschen Open Joint Offices

Philadelphia—Quaker Rubber and Leschen Wire Rope divisions of H. K. Porter Company, Inc., have opened joint sales and service offices in New Kensington, Pa.

The added office space and combined warehouse facilities will serve Porter's customers in West Virginia, Eastern Ohio, and Western Pennsylvania.

Nitric Acid Output Upped

Wilmington, Del.—Hercules Powder Co. has increased its concentrated nitric acid production 50 tpd to a total daily output of 200 tons. The increase resulted from completion of a new unit at the company's Parlin, N. J., plant.

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Timken to Add New Equipment

Canton, Ohio—An investment of \$51 million in new equipment and facilities covering the next five years is being planned by Timken Roller Bearing Co. More than \$3 million worth of new grinding and finishing equipment already has been ordered for the Canton, Columbus, and Bucyrus plants. An additional \$2.5 million will be spent, increasing grinding and finishing productivity by an anticipated 30%.

Single spindle and multi-spindle screw machines will be replaced with modern screw machines using carbide tooling capable of machining a greater range of bearing sizes. Roller header machines will be modernized within two years at a cost of \$400,000.

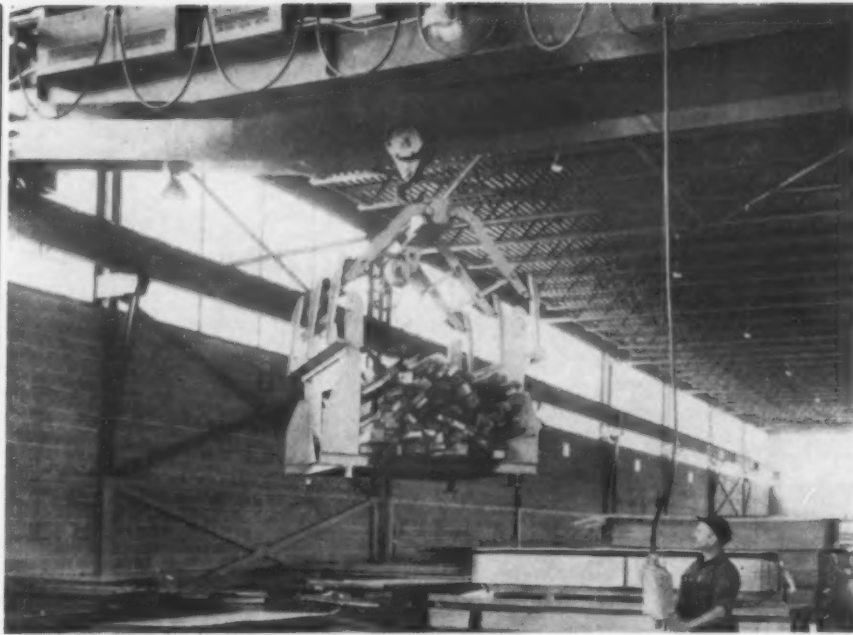
Within the next five years over \$1 million will be spent for heat treating equipment at Canton and Columbus and an additional \$16.25 million is earmarked for a variety of other capital improvements in the bearing and rock bit plants.

The Steel & Tube Division will spend a total of \$12.5 million during the same period for new equipment and modernization of machinery. Included in the steel mill's expansion is a new top charge furnace, an additional electric stirrer and a new piercing mill. These additions will increase capacity and provide greater flexibility in product scheduling.

Timken's foreign operations have been allotted about \$12.5 million for expansion and improvements during the 5-year period.

Sales Office to Open

Salt Lake City, Utah—Bethlehem Pacific Coast Steel Corp. will open a sales office here July 1. Serving the Utah area, the office will handle standard and specialty steel products from Bethlehem's eastern plants as well as products from Bethlehem Pacific's west coast mills.



ON ITS WAY to where lumber is needed to separate steel loads, portable depot is carried by overhead crane controlled by man on floor.

Rolled Steel Corp. Operates Portable Lumber Supply Depot

Chicago—Rolled Steel Corp., distributors of sheets, bars, plates, angles, and structurals, has devised a portable supply depot for moving lumber and wrapping paper to any point in its plant at Skokie, Ill.

Ralph C. Herdrich, vice president in charge of purchasing, said a special rack for handling of lumber which separates steel loads was designed especially to avert potential accidents.

The rack, capable of handling 1,500 board ft. of lumber at a time, acts as a storage receptacle when not in use and can be transported throughout the plant by an overhead crane or fork lift truck when lumber or paper is needed. In either case, the possibility of accident has been substantially eliminated, said Herdrich.

The stationary rack is kept behind yellow safety lines so that loose boards cannot lie haphazardly about the plant. When in motion, the rack is identified by a chromatic yellow finish and is carried by the crane above head level.

The rack also has a paper

dispenser attachment for use in wrapping outgoing shipments in kraft paper. The rack is picked up by a standard sheet lift and moved by crane to the desired location. The wrapped steel can then be handled easier for shipment.

Olin Mathieson Adds Penta Wood Treatment

New York—Olin Mathieson Chemical Corp.'s Forest Products division has converted one of its two plants in Shreveport, La. to add Penta (pentachlorophenol) to its wood treatments product line.

A study made by the company showed that demand existed for light-colored, clean, oil treated lumber with protection against decay and insect attack. The company pointed out that Penta treatment also leaves the wood with no surface distortion.

Penta is a single chemical compound, being a stable combination of chlorine and phenol. It can be used with virtually any type of wood and is administered by pressure processing.

Eaton Mfg. Co. Enters Replacement Market

Cleveland—Eaton Mfg. Co. will enter the replacement market. It has announced plans for its stamping division to offer full lines of radiator pressure caps, regular and locking gasoline tank caps, oil-filler caps, and a new cap and radiator pressure tester.

The company primarily is a supplier of parts and components to the automotive industry. Replacement parts, bearing the Eaton trade mark, will be marketed through about 100 warehouse distributors in the U.S. and Canada.

Goodyear Building Plant

Pt. Pleasant, W. Va.—Goodyear Tire & Rubber Co. has started construction of its new resin and film plant at Apple Grove. The plant, costing \$10 million, is said to be the newest addition to the growing family of chemical giants in the Ohio Valley.

AC Spark Plug Pages Silently

Flint, Mich.—A solution to the problem of paging someone in a plant so noisy it would preclude the use of conventional loud-speaker systems is offered by AC Spark Plug.

The G.M. division has developed a system, called "Vibacall," which is in use at their Dort Highway plant. A cigaret-sized transistor radio receiver, carried in an individual's pocket, vibrates when it receives a signal from the master control. When the individual being paged feels the vibration, he immediately goes to the nearest phone, calls the operator and gets his message.

The paging equipment consists of a master console, remote booster amplifiers, and the personal pocket receivers. The console, which runs on regular plant "plug-in" electric power, can handle up to 380 receivers. No license from the F.C.C. is required to operate the system.

Clark Acquires Branches In Newark, Cleveland

Battle Creek, Mich.—Clark Equipment Co.'s Industrial Truck Division has established factory sales and service branches in Cleveland, Ohio, and Newark, N. J., by purchasing assets of its distributors in those cities.

B. E. Phillips, Clark general sales manager, said converting the independent dealerships into factory branches will provide customers in those areas with more extensive parts and service facilities.

Yale & Towne Develops Supercharged Oil Unit

Philadelphia—Yale & Towne Mfg. Co.'s Materials Handling Division engineers have perfected a supercharged hydraulic oil system for lift trucks which eliminates surging in the hydraulic tank, and air bubbles in the lines and pump.

The development will be standard in all Yale rider-type gas, LP-Gas, and electric powered lift trucks.

Ideal Cement Co. Signs Contract Granting Raise

Chicago—The A.F.L.-C.I.O. cement, lime, and gypsum workers have reached agreement with the Ideal Cement Co., Denver, on a contract calling for about 10¢ an hour in wage increases.

The new contract, covering 1,700 workers, runs a year on labor and wage provisions and five years on new pension features. It is subject to ratification by local unions in 15 of the 18 locations where the company operates.

Fyr-Fyter Co. Acquires Kruger Manufacturing

Dayton, Ohio—The Fyr-Fyter Co. has acquired machinery and equipment of Kruger Mfg. Co., Buffalo, N. Y., a supplier of drawn steel and brass containers. Fyr-Fyter will now be able to

fabricate brass and steel shells for its 1-quart to 2½-gal. sizes of dry chemical and liquid chemical extinguishers, including certain vaporizing liquid models.

Acquisition of the new manufacturing facilities puts Fyr-Fyter in a better position to produce and control both the quality and quantity of shells required in the manufacture of its broad line of fire extinguishers, the company said.

Armco Steel Corp. Opens Hot Strip Mill

Butler, Pa.—Armco Steel Corp.'s new \$26 million hot strip mill began commercial production here June 2. The 56-in. mill can hot roll stainless steel sheets at speeds up to 2,000 ft. a minute, according to Armco. The wider sheets are mainly used in aircraft and missile construction.

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SELLING BY PHONE, sales crew of Rolled Steel Corp., Skokie, Ill., watch inventories listed on chalkboard. These are kept up to date during day, but room is so big some salesmen (foreground) use binoculars.

P.A.'s Use Telephone But Don't Like Salesmen Calling Them for Orders

(Continued from page 1)

"I think a fellow who depends on phone calls is a poor salesman," declares Arthur Verax, director of purchases, Crosley Division of Avco Manufacturing Corp., Cincinnati. He says he initiates 50% of his purchases by phone but is "seldom sold" that way.

"If I want to discuss a problem about the product, it's better to have the man in the office where I can call our department men into the conference," he added. "In certain instances a quick follow-up by phone is okay, but it's not the answer. I figure if a man isn't interested in coming to see me, then he's not interested in my business."

R. Lee Scanlon, P.A., Berger Engineering Co., Seattle, is another who disapproves of strictly phone selling. "I discourage sales approaches over the telephone although I'm seldom approached this way. When a salesman does try to sell me over the phone, I suggest he come around and show me what he has."

Nevertheless, this type of sales approach appears to be gaining momentum. The Rolled Steel Corp., Skokie, Ill., a pioneer in telephoning selling, is increasing its operations in this field.

The company's sales force, equipped with headsets, pencils, and binoculars, work in a large room surrounded on three sides by blue chalkboards. Inventories are chalked on the boards, and a stock boy works all day keeping them up-to-date so the salesmen will have this information at hand when calling purchasing agents.

Each salesman makes about 20 calls a day outside Chicago and about 30 to 35 inside the city limits. Sometimes the calls must be followed up by a personal visit but such visits are kept to a minimum. Exclusive "phone selling" is Rolled Steel's aim.

Seymour Waldman, president, Rolled Steel, says he has received an increasing number of inquiries from other companies requesting advice on how to set up an effective telephone sales program. The reason, as Waldman explains, is that phone selling eliminates large expense accounts and saves time for salesmen.

"But what about our time," questioned Richard Miller, assistant P.A. Raytheon Manufacturing Co., Boston. "I'm certainly

busier than any salesman who calls.

"As far as I'm concerned, telephone-selling by suppliers is lousy. A lot of salesmen are just too lazy to come in and see us. We do not deal with suppliers who deal and depend entirely on the telephone."

On the other hand, Miller, like J. O. Long, purchasing agent for Baker Oil Tools, Inc., Los Angeles, says he initiates about 75% of his purchases on the phone.

"Phone contact may be time-saving," adds Long, "but there's a tendency to overlook things when you're talking on a telephone. It is convenient when I'm in a bind for time, but I much prefer talking with a man face-to-face if any problem arises on the order."

W. A. Helfrich, purchasing agent, Alco Valve Co., St. Louis, says he buys between 35 and 40% of his items via the phone but also uses it for another important reason.

"I have to use the telephone a lot to call the headquarters of companies for technical information I can't get from salesmen who ought to know the answers," Helfrich says. "It's exasperating, but I guess those with this technical know-how are needed more at the plant than on the street."

Five purchasing executives interviewed by P.W.'s Portland, Ore., correspondent considered firms who attempted selling by phone "oddballs."

Although Wyman E. Mills, P.A., Simpson Logging Co., Portland, and a trustee of the Purchasing Agents Association of Oregon, places 75% of his orders over the telephone, he rejects sales pitches in this manner.

"I don't think it's a very good way of selling," Mills said. "I like personal interviews and like to see any new items." He did not object, however, to vendors who used the phone to sell "something we're used to buying."

On the other hand, there are some P.A.'s such as Ernest N. Helgeson of the Farrington Manufacturing Co., Jamaica Plains, Mass., who prefer salesmen to use the phone lines in their selling ventures.

"As far as salesmen using the phone, to us," he explained, "it is our preference. That way they could save their time and our time too."

P.A.'s Still Wary, N.A.P.A. Reports

New York—Purchasing executives are not yet willing to extend their materials commitments beyond the pattern established for the past several months reports the June survey of the N.A.P.A. business committee.

This pattern is generally 30 to 60 days on production materials and M.R.O. supplies, and from six months to a year on capital expenditures.

The survey says that despite evidences of business improvement over the past three months, the majority of purchasing agents look for no major upturn before the year end or early 1959.

A More Gradual Pace

The P.A.'s noted that the continuing improvement in their production and new order position was at a more gradual pace this month, with 39% reporting new order position better, 46% with no change, and only 15% with a decrease.

As for more new business, 34% list higher production, against 29% in May. No change is reported by 55%, and only 11% mark any decrease.

The survey points out that purchasing agents see inventories as a lessening problem, as well as an important factor in holding the price line. As for most prices, the committee believes the soft trend is not being reversed and that, in general, hard selling is the order of the day.

The business committee also covered the psychological factor bearing on improved business by asking P.A.'s if they felt consumer spending attitudes were improving. The results show 48% sensing improvement, 34% the same, and 18% believing that buying attitudes were worse.

The June report spotlighted a slight indication on the part of buyers to increase inventories. Those indicating a desire to reduce further their stocks on hand dropped from 52% in May to 47% this month. Those indicating higher stocks rose from 7 to 10%.

On employment, the survey shows a continuing trend towards a more stable picture this month. The reports of greater employment rose to 24%, compared with 14% a month ago. Fewer employed is shown by only 23%, against 31% in May.

P.A.'s and Sales 'Dream' About Perfection at Lima Meeting

(Continued from page 1)



"Pulling together"

opened yet?" Knab asked.

The perfect P.A. does not ask for price concessions that can only come out of legitimate profit, Knab continued, because it would be defeating the purchaser's purpose of getting the best service for his money. The price cuts have to come out somewhere, he said.

"Compare salesmen on an equal basis. You'll get good service that way," Knab urged. "And don't let him cool his heels outside, either."

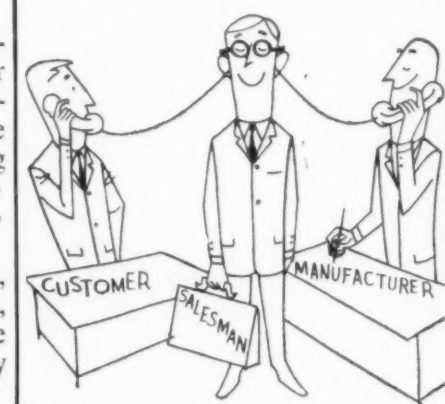
"Does the P.A. always have three quotes—no matter what the size of the order?"

"A good P.A. knows when to relax his rules to save time and money," Knab concluded.

The Purchasing Agent Believes:

"The ideal salesman is a communication center between the manufacturer and his customer."

P.W. Stauffer, of Triplett Electrical Instrument Co., said that was his definition of a perfect salesman.



"Perfect communications center"

The "dream" salesman is well versed in his own company—its history, policy, and products, Stauffer said, describing a sales agent who is strictly on the ball.

"He shouldn't have to look up answers in a catalogue all the time," Stauffer declared. "He should know his company's products well enough to have most of the information at his finger tips."

First impressions count, Stauffer continued. "It's the first 10 words that are most important if the salesman has something definite to offer." He said the good salesman is not only well-groomed in personal appearance but is well-groomed in business protocol.

He respects reasonable calling hours, gets down to business immediately, and realizes the P.A. can see through and spot the usual approaches that are intended to "soften him up," Stauffer asserted.

"The salesman who calls only when there is something big to be gained, or gives the impression

that he only stops in when other business is hard to get doesn't gain the P.A.'s confidence.

"The salesman should keep calling, making his calls brief, even when he has nothing to offer in particular, without giving the P.A. the impression that he's in a hurry to get another, more important call."

A price cutter doesn't get the P.A.'s confidence either, Stauffer continued.

"The experienced P.A. knows a salesman can cut prices only so far without affecting other aspects of his service," he stated.

Friendly, but not chummy, that's the byword for relationships between the purchaser and the salesman. Neither, Stauffer felt, should feel any sense of obligation to the other because only in this way can both serve their companies well.

Price Changes

Tetraethyl Lead—Effective July 24, the price of Du Pont's tetraethyl lead antiknock gasoline components will be increased approximately 1/2¢ a lb. It's the first rise in tetraethyl lead prices since April, 1957, and follows five price decreases in the last year. The price boost is attributed to higher manufacturing costs.

Fir Plywood—Weyerhaeuser Sales Co. has raised the price of sheathing fir plywood to \$105 a thousand sq. ft. on key 5/8 inch thick grade wood. The boost of \$3 is due to increased domestic demand, and expected summer mill shutdowns. The move by Weyerhaeuser was followed by the Georgia-Pacific Corp. which raised its price of plywood sheathing by \$4 a thousand sq. ft. to \$106 a thousand sq. ft.

Copper—custom smelters reduced their copper price 1¢ a lb. to 25 1/2¢ a lb. last week. Producer tags still remain between 25¢ a lb. and 26 1/2¢ a lb.

Potash—Potash Co. of America has cut its 1958-1959 marketing prices by 6 1/2% to 7%. The new schedule calls for 32¢ a unit tags until January when prices will rise to 36 1/2¢ a unit.

Fuel Oil—Esso Standard Oil Co. has cut the tags of No. 4 and 5 fuel oils by 15¢ a bbl. on the Eastern Seaboard. The No. 4 fuel oil at New York Harbor has been cut 23¢ a bbl. to \$3.15 a bbl. Other producers are reportedly meeting the cut.

Nickel Sulfate—Reduced demand for nickel sulfate has caused the American Smelting and Refining Co. to cut its base price for this chemical. Carload lots of nickel sulfate are now quoted at 28¢ a lb. Other producers are reportedly following the trend.

Perchlorethylene—Industrial and dry cleaning grades of perchlorethylene will drop 1/2¢ a lb. July 1, for tankcar loads. Foreign competition is the cause.

Ports to Fight Seaway Tolls

(Continued from page 1)
ing tentative plans to use the seaway wherever possible, feeling the proposed toll schedules are "not unreasonable." Formal approval of the rates will not alter their plans.

This triangle of opposition and agreement is expected to make for a long-winded battle when hearings on the toll proposals open in Washington and Ottawa on Aug. 6.

Railroads Against

Aligning themselves on the "too low" side of the rate controversy are, of course, the railroads which view the seaway as a major competitor for bulk and general cargo haulage. The Association of American Railroads expressed serious doubt whether the tolls scheduled as announced would produce enough revenue to make the \$471 million project self-liquidating.

"The proposed tolls are nothing but unstable bargain rates," declared John T. Galvin, managing director of the World Trade Center in New England, Inc., which acts as spokesman for New England Ports. "This is the first step in a concerted drive by mid-western congressmen to eliminate tolls on the seaway altogether."

Eastern Ports Uniting

"The ports of New England are working with other Atlantic and Gulf ports to oppose this. We are consolidating our forces and developing a unified party line to fight these low and economically dangerous tolls."

Galvin claims the rate schedules are "60% too low on registered tonnage, 20% too low on bulk cargo, and 28% too low on general cargo."

Although it was intimated that the Port of New York Authority agreed with this line of thinking, Roger Gilman, director of port development, would only say, "we are still in the process of studying the proposed tolls and will have no comment to make until this study is complete."

Herbert Weekfield, traffic manager for the Virginia State Ports Authority, was also expected to follow this "party line," but he would only comment, "we have expected all along that the seaway would make a dent in our shipping economy, but just what effect the proposed rates will have is too early to say."

Intend to be at Hearing

"We intend to be at the Washington hearing and do everything we can to protect our interests."

One viewpoint of industry's stake in the seaway was expressed by Frank Tighe, director of traffic for Union Carbide Corp. He said his firm has made extensive plans for using the waterway since many Union Carbide plants are strategically located in that area, such as Welland, Ont., Niagara Falls, N. Y., Ashtabula, Ohio, Chicago, Etc.

"I've had a chance to study the tolls," Tighe said, "and I don't find them to be high enough to discourage shipping on the seaway as some people claim."

"We're ready, willing, and able to use the seaway to our advantage, but it all depends on what the ship operators intend to charge their customers in view of these tolls. I personally don't



TAKING ACTIVE PART in planning fall conference of National Institute of Governmental Purchasing were Capt. W. S. Adams, left, U. S. Naval Shipyard, Cambridge, Mass.; Albert H. Hall, executive vice president of the Institute; C. L. Magnuson, supervisor of

purchases for Connecticut; Col. Elmer B. Thayer, commanding officer of Boston Army Base; Joseph V. Spagna, Institute president; John T. Burke, Massachusetts Department of Commerce; and John V. Moran, purchasing agent of City of Boston.

Want to Know About More Tax Dollar Mileage? Attend N.I.G.P. Conference Slated Oct 5-8

Boston—How to get more mileage out of the tax dollar is a major concern of the National Institute of Governmental Purchasing.

The N.I.G.P.'s 13th annual conference Oct. 5-8 will center on ways of improving governmental buying to obtain more efficient and economical expenditure of public funds. Top officials of the governmental purchasing group met here a week ago to discuss the program and preliminary plans for the conference and products exhibit which will be held at Boston's Statler Hilton Hotel.

Speaking at the planning session, New York City's Commissioner of Purchases, Joseph V. Spagna, stressed that purchasing agents today must keep aware of any changes that affect their buying activities. Thus communications are of paramount importance.

Spagna, who is president of N.I.G.P., noted that purchasing agents find time, even with the

heaviest of schedules, to attend conventions to help them keep abreast of the rapid changes affecting their work. He said the Institute was formed to satisfy "the urgent need for communications in the field of governmental purchasing in these dynamic times."

Albert H. Hall, N.I.G.P. executive vice president, said he hopes for a record attendance of more than 1,500 at the fall meeting.

Among the topics to be discussed at the conference are "Developing Standards and Specifications," "Establishing and Operating an Inventory Control System," and "Preparation of Specifications for Leasing and Services."

Among prominent guests attending the Boston meeting were Dr. Howard T. Lewis, emeritus professor of marketing, Harvard University (P.W., May 26, p. 14); Bernard Solomon, Massachusetts State Purchasing Agent; C. L. Magnuson, Connecticut Super-

visor of Purchase; T. C. Fecteau, president of the Purchasing Agents Association of Rhode Island; and William A. Reilly, deputy mayor of Boston.

N.I.G.P. is a non-profit professional and technical organization dedicated to the improvement of public buying through the interchange of technical and professional information and ideas.

It includes in its membership public purchasing agencies of states, counties, cities, boards of education, and special authorities and districts of the United States as well as purchasing agencies in Alaska, Canada, and Puerto Rico.

"N.I.G.P. is constantly seeking more value for the tax dollar," declared Spagna. "Through meetings and publications it seeks to help every member to do a better job in the expenditure of billions of tax dollars. Here is an example of communications functioning to the benefit of every member of an organization."

think they will charge exorbitant rates since the rate schedules don't seem to be unreasonable."

On the West Coast there was apparent disinterest in seaway rates and effect of the waterway. But one steamship line official opined that rails might lose some of their export wheat shipments. He suggested wheat now shipped by rail to British Columbia for export might go East through the seaway instead.

In answer as to what ship operators may be charging their customers, Matthew S. Crinkley, executive vice president of the Isbrandtsen Co., a New York steamship firm, had this to say:

"We have made experimental rate calculations to see just what these tolls will mean if they are approved. They certainly do not look prohibitive enough to keep a volume of shipping off the waterway. In fact, from our tentative calculations, they look pretty fair to us."

Remarking on the opposition to the rate schedules, Crinkley said, "the fact that the opposition has drawn into two camps, those protesting the tolls as too high and the others as too low, seems to prove that the toll commission has come very close to

the right level of tolls."

For a full passage through the entire length of the seaway between Montreal and Lake Erie, including Canada's Welland Canal, the charges would be 42¢ per ton of bulk cargo and 95¢ per ton of general cargo carried, plus 6¢ for each registered ton. All rates are based on a 2,000 lb. ton.

Commodities classified as bulk cargo include grain and grain products; iron and steel scrap and pig iron; sand, stone and gravel; coal and coke; liquids moving in ships tanks, such as oil and liquid petroleum or chemical products; pulpwood, poles and logs, loose or bundled; waste paper; woodpulp, loose or in bags, and domestic package freight.

Any commodity not included in the definition of bulk cargo will pay the general cargo rate. Canada, sitting astride both ends of the seaway, will collect all tolls and distribute the revenues on the 71-29 basis that has been established. Ship owners will establish credit with the toll-collecting authority and will be billed for each passage, payable in seven days, thus expediting transit of vessels through the waterway.

Copper Tags Swinging At 3 Different Levels

(Continued from page 1)

It means that not even the major producers are in agreement about the basic copper trend. Confusion arises, in part, from doubt about further stockpiling and demand developments. Basically, it's a jockeying around for position, to get whatever business there is.

It's a sign that copper is in a sort of "in-between" state. The bottom has been hit. But demand is still sporadic and price is unable to find its own level.

More changes are most surely in the offing. It calls for careful buying—at least until the two major variables are clarified:

- Proposed government stock buying program.

- Future production needs of basic copper-consuming industries.

But it may be months before we have the answers to these two basic questions.

As for the proposed stockpile program, copper people (both producers and users) are now beginning to realize that it will take considerable time to get any support scheme through Congress.

As for basic user demand, we probably won't have the answer until Fall, when the general level of business activity is scheduled to pick up.

Meanwhile, there's plenty of copper around for everybody. Copper fabricators, at last report, were holding a five-month supply close to record levels.

Compare that to a year and two-year ago levels when stocks were at 3.6 and 3.8 months respectively.

Steel Prices Puzzling P.A.'s

(Continued from page 1)

willing to play follow-the-leader but with each more than reluctant to be the leader. All looked toward the traditional industry leader, U.S. Steel Corp., which confounded producers and consumers alike 10 days ago with a cryptic announcement that it was withholding a price announcement until competitive and general economic factors were "clarified."

One small specialty producer, 23rd-ranking Alan Wood Steel Co. at Conshohocken, Pa., was the first to take a forthright stand, stating that its prices would go up an average of \$6 a ton July 7.

But Alan Wood left the door open for a quick withdrawal by appending the statement that in event other steel producers do not change prices by July 7 or increase them by different amounts, the company would have no other alternative but to remain competitive.

First response of other producers was that they would have to wait until industry leaders (meaning U.S. Steel, Bethlehem, Republic, etc.) make up their minds.

Steel producers have been broadcasting for months that the July 1 contract wage increases made it imperative to boost prices, especially since they swallowed a Jan. 1 increase of 5¢ per hour without touching prices. But David J. McDonald, president of the United Steelworkers, made it plain again last weekend that his union was accepting none of the blame or responsibility.

Addressing a U.S.W. district meeting at Midland, Pa., McDonald contended increasing productivity of U.S.W. members make a price increase unnecessary. Any attempt to alibi a price increase by claiming higher wage costs is an "industry lie intended to confuse the workers and the public," McDonald declared.

Tax Freight Repeal Seems to Be in Offing

(Continued from page 1)

Repeal the World War II imposed 3% tax on freight transportation.

Repeal a 4½% tax on oil transported by pipelines, and a 4¢ a ton freight tax on coal.

Extend the corporation income tax rate of 52% for another year.

Keep Korean War excises on automobiles, parts and accessories, and on liquor, beer, wine and cigarettes.

Keep the 10% tax on passenger travel.

The last item was the one big issue the Senate conferees had to give on. The Senate had approved the repeal of the 10% travel tax, but the House conferees refused to take that item.

Purchasing Perspective

JUNE 30
JULY 6

(Continued from page 1)

- **Labor**—Whether labor costs go up or remain stable has a direct bearing on prices you will be paying tomorrow.
- **New orders**—Volume of new orders has a direct effect on production and hence general business direction and also provides the signal for tomorrow's raw materials and component needs.
- **Capital outlays**—There's a direct correlation between business spending and general level of business activity. Moreover a study of business plans gives direct hints on when orders can be expected in capital goods industries.
- **Consumer spending**—The purchase rate of autos and other big-ticket hard goods items spurs a long list of related industries such as steel, textiles, copper, glass, etc.
- **Sensitive prices**—PURCHASING WEEK supplies weekly changes in sensitive raw materials prices (page 2), which provide tip-offs on when demand is weakening or firming, whether to stock up or wait.
- **Industrial wholesale prices**—Starting this week on a monthly basis (page 4), PURCHASING WEEK will supply monthly trends in 50 key price areas to provide a thorough picture of price developments and a basis for comparing your price experiences with those of your own industry or the general economy.

The cost of mailing an ordinary letter increases by 33 1/3% on Aug. 1 when a 4¢ stamp will be required to do the work of the present 3¢. A suggestion to the promotion, advertising and other big mail departments to scrub up their mailing lists and eliminate dead wood might save a sizeable segment of the added stamp cost—or at least open up room for some live addresses.

A purchasing executive in the Atlanta area expounded on his pet peeve the other day. It's the salesman who walks into the purchasing office, sits down, and begins small talk or his sales pitch without identifying himself. Having a company receptionist doesn't always eliminate this problem because of the fast shuffle of sales arrivals and departures.

"I've seen the guy before but while he's talking, I'm wondering who he is and what he's selling," the harried Atlantan groaned.

Seems like the best answer to this is grin and bear it or get a new receptionist. Better yet—get a new salesman.

Supreme Court Debates Rulings; Some Decisions Affect Purchasing

Washington—The U. S. Supreme Court is winding up a long term, marked by debate mainly over past rulings.

In numbers of cases handled—over 1,000, with about 120 decided by written opinion—the term just ending has been an extremely active one for the Court. A number of decisions handed down were of direct interest to purchasing policy makers.

Its biggest news, and its gravest internal conflicts, centered again on civil rights cases. No antitrust decisions matching last term's DuPont-General Motors split-up ruling were made. Several important labor cases were decided; but some, particularly the hot cargo case, were decided on very limited grounds.

One of the new twists came in labor law. The Court ruled unions are not exempt from common law damage suits by workers, seeking damages when prevented from working by union force or illegally expelled from the union.

No one can tell now how serious a blow this precedent will become.

A related case will come up next term which should now test whether state courts may use state labor law, rather than com-

mon law damage actions, to award employer damages against non-violent union conduct.

Another new twist goes a long way to completely eliminate the old principle that federal property is generally immune from state taxation.

Since this tax burden will be passed on to the federal government, the rulings impose an extra financial burden on defense work.

Here are some of the other key decisions:

- The big three soap makers must stand trial on civil monopoly charges, even though they are denied access to grand jury records.

- After 17 years of litigation, Standard Oil Co. (Ind.) sales in 1940 to some customers at lower prices than granted others in the Detroit area are upheld as necessary to meet, in good faith, competitors' lower prices to the favored customers.

- Businessmen cannot use Robinson-Patman Act ban against sales at "unreasonably low prices" as the basis for private triple damage suits against competitors.

- Unions may sign hot cargo contract with employers, but cannot enforce them over the employer's objections.



Boldy

'NEVER MIND WHATCHA GOT . . . WHO DO YOU KNOW?'

Atlanta Constitution

Georgia Buying System Under Fire; Atlanta, States Hit Higher Costs

Purchasing Practices Within 'Flexible' Law; State P.A. Termed Victim of Politics

Atlanta — When a newly elected governor of Georgia starts thinking about paying off a political debt, one of the first top jobs filled is State Supervisor of Purchases. Thus purchasing experience becomes somewhat less than a necessary prerequisite for the appointment.

Explanation of System

All of which helps to explain why the Georgia state purchasing department is one of several state agencies currently under fire for alleged laxity in handling public funds.

While critics of State Purchases Supervisor C. Lawton Shaw contend bids are awarded more on a "who do you know" basis than comparative price, this much can be said for Gov. C. Marvin Griffin's political protege from rural southern Georgia: Poor business practices have been the main target where the purchasing department has been concerned. But there seems to be little doubt that purchasing officials, at least, are working within the framework of Georgia law.

But because of the law's extreme flexibility, Georgia taxpayers are paying thousands of dollars annually more for some supply items, neighboring states, and Atlanta critics claim.

Refusal by state purchasing department officials to use bids to the fullest advantage is generally blamed for the additional cost. The "Atlanta Constitution," which began reporting irregularities in various state departments in a series of articles earlier this year, has charged bluntly that Governor Griffin's administration is "government by crony."

Shoes and tires are two examples where apparent reluctance to maintain open bidding lists adds up to higher expenditures for state purchasers.

Georgia pays from 60¢ to \$1.51 more per pair for work shoes than neighboring states. Shoe purchases run well up into five figures for the state prisons and Milledgeville State Hospital, and the bulk of the state shoe business goes to two "middle man" companies with which state legislators are connected. A small amount is divided among small-town department stores.

Without bids, tires cost the state 15% more than the City of Atlanta which buys its tire equipment off an open bid list (P.W. June 2, p. 1). Atlanta's two largest tire suppliers also are among the state's suppliers, selling to the city at one price and to the state at a higher figure.

Georgia law not only is satisfied if the state purchases supervisor gets just three bids on an item, but it gives him broad authority in obtaining such bids. While the state P.A. may advertise in newspapers, he also has discretionary power to advertise by "other advantageous means."

Bidding Practices Reviewed

In practice, the Georgia purchasing department uses "other advantageous means" by mailing requests for bids to any firm the department chooses to use.

A highly respected purchasing agent well acquainted with Georgia's political facts of life told PURCHASING WEEK:

"The state supervisor of purchases—whoever holds the job—will always be a victim of 'The System.' It's 'The System' that gets all of them."

"The System" is the state's unique county unit method of nominating statewide officials in the Democratic primary where nomination is tantamount to election. The unit system works similarly to the national electoral college and is weighted heavily in

favor of the rural counties. The present governor, for example, received only 35% of the popular vote but carried a majority of the 159 counties. This illustrates how a gubernatorial candidate must always depend for election on rural politicians and in turn needs them to control the General Assembly after inauguration. And because the state supervisor of purchases is an appointive office of the governor, it thus becomes a pawn in political control of the state.

While not a politician himself, Purchasing Agent Shaw was active in the Griffin-for-Governor headquarters during the 1954 campaign. He is from a small county in south Georgia, and his only other listing in the Georgia Legislative Manual is as president and owner of K & L Transportation Co., 1935-36. Upon election of Griffin, he was appointed to the state purchasing job, succeeding Bill Barton George, who had been appointed by the preceding governor, Herman Talmadge.

Shaw is not a member of the Georgia Purchasing Agents Association. An official of the G.A.P.A. said: "Why should Lawton join G.A.P.A.? Why should he want to be with a group of men interested in the finer points of central purchasing when he knows these are things he can never put in practice in his own department? And, of course, when a new governor is inaugurated in January, he'll have his own supervisor of purchases."

Thus it is that the going price for shoes for Georgia's prisons is \$4.50 a pair. Florida buys shoes for its prison at Raiford at \$3.49 a pair. North Carolina buys prison shoes at \$3.24. From state purchasing record, it appears that it costs Georgia as much to buy split leather, or low grade, work shoes, as the higher quality types.

Yet North Carolina buys split leather shoes for as little as \$2.99 a pair. And one of the firms practically frozen out of the Georgia state purchasing picture is the Georgia Shoe Manufacturing Co., at Flowery Branch, Ga., one of the world's largest makers of work shoes.

Ryerson Says Russia May Send Steel to U.S.

(Continued from page 1)

says it is possible Russian steel might be exported to U. S. consumers at some time in the future as part of the Soviet's "economic war" program. Much depends, he said, on how fast Russia can meet its own needs.

Speaking at a press conference in Chicago after his return from a tour of Russian steel mills, Ryerson made it plain that the Russians are not lagging behind the U. S. in steel-making technology. But there are some differences in application of such technology, he said.

For instance, American rolling mill practices seemed superior to Russian rolling mill methods. On the other hand, he observed some outstanding Soviet techniques in blast furnace and open hearth operation.

Ryerson headed a 19-man U. S. delegation which recently visited Russia under an exchange agreement. The delegation will make its official report to the American Iron & Steel Institute which will make the findings public.

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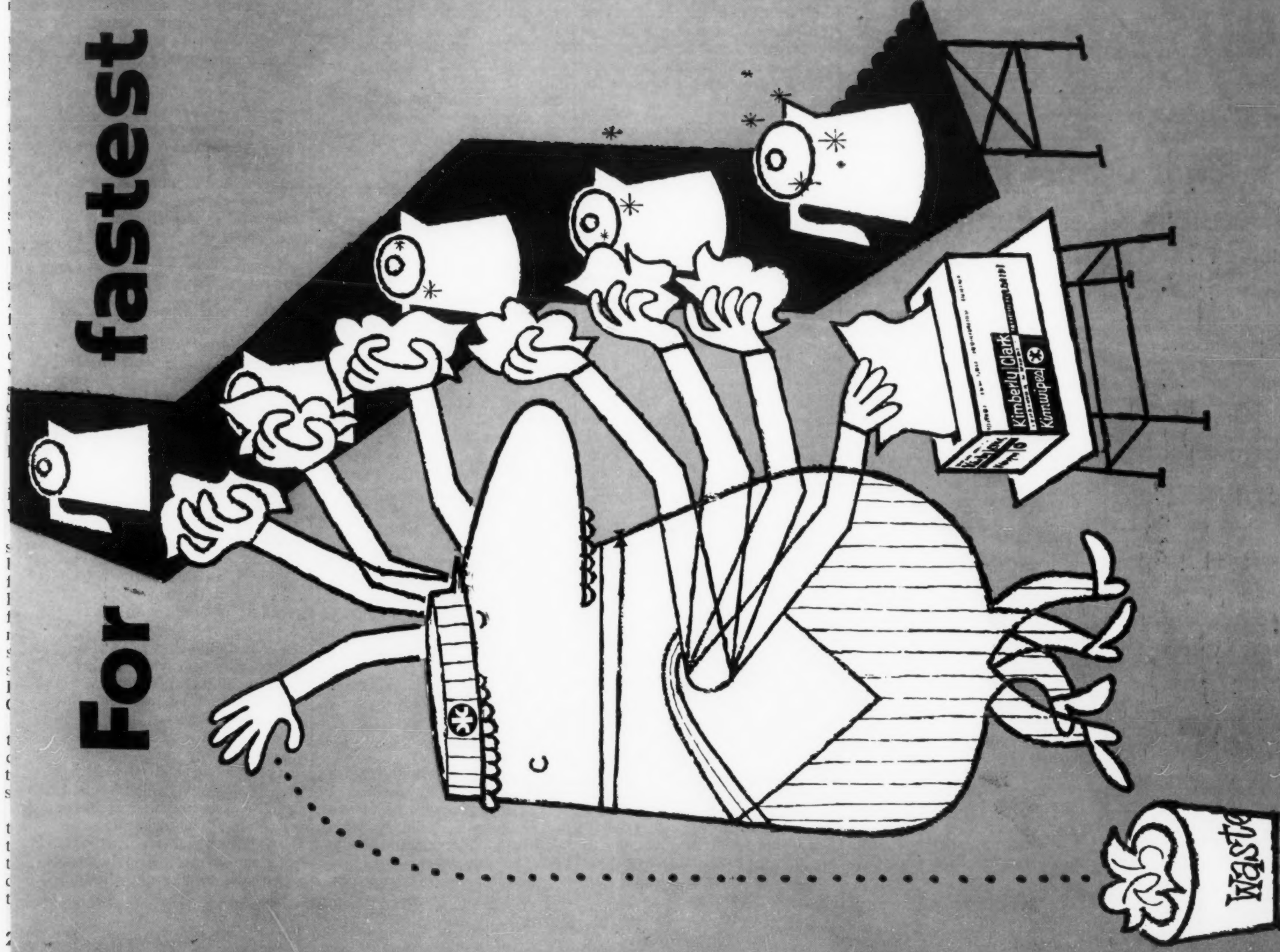
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